

سكنا من الاصل

Arms for Iran: A blistering indictment of all the President's men

Reagan blamed for failure of control

From Michael Binyon and Christopher Thomas, Washington

President Reagan, driven by intense compassion for American hostages, did not exert proper control over the Iran initiative or his subordinates, but at no time did he deliberately lie to the American people or indulge in any cover-up.

Nor did he have any prior knowledge of the diversion of Iran arms funds to the Contras, the Tower Commission said yesterday.

But in a scathing 300-page report, the three-man panel, headed by former Senator John Tower, said the President did not seem to be aware of the way in which the operation was implemented, and the full consequences of US participation.

"With such a complex, high-risk operation and so much at stake, the President should have ensured that the National Security Council system did not fail him," they said. "At no time did he insist upon accountability and performance review."

The report, a blistering indictment of virtually all President Reagan's senior aides, is deeply embarrassing to the Administration, and is certain to lead to the prompt dismissal of Mr Donald Regan, the White House Chief of Staff, who the report says

Main points from the Tower Commission report are:

- President Reagan did not seem to be aware of how his arms-to-Iran policy was implemented or the full consequences of that policy
- Mr Reagan's Chief of Staff, Mr Donald Regan, must bear primary responsibility for the chaos that descended on the White House
- The President's intense compassion for the hostages appeared to motivate his steadfast support of the Iran initiative
- Admiral John Poindexter, the former National Security Adviser, failed grievously on the diversion of funds to the Nicaraguan Contras
- Lieutenant Colonel North, who ran both operations, actively sought to conceal important information

gave prior authorization of the first arms shipment by Israel to Iran in August 1985. "The board made a plausible judgement that the shipment was approved," Mr Tower told a press conference.

The report did conclude, however, that once the scandal broke, White House and NSC aides attempted a cover-up to distance Mr Reagan from the affair. "I do not believe that the President wittingly misled the American people. I believe the President was convinced himself of the veracity of what he was saying," Mr Tower said.

The report, commissioned originally to look at the functioning and role of the National Security Council, was emphatic in declaring that there was nothing fundamentally wrong with the system, which has functioned well for the past 40 years.

But, in a cutting comment on Mr Reagan's detached style of government, it said the NSC system would not work unless the President himself made it work. "By his actions, by his leadership, the President therefore determines the quality of its performance."

A heavy responsibility was placed on his key aides, knowing his management style, to keep him fully informed of what was going on. In this they

failed lamentably, the report concluded.

The thrust of the report is that the entire Iran arms deal was misconceived, carelessly executed and pushed forward by inappropriate covert means in the face of opposition from both Mr George Shultz and Mr Caspar Weinberger, the Secretaries of State and Defence.

It does not spare any of the senior White House aides involved. Of Mr Donald Regan, the Chief of Staff, it says: "He especially should have ensured that plans were made for handling any public disclosure of the initiative. He must bear primary responsibility for the chaos that descended on the White House when such disclosure did occur."

Of Mr Robert McFarlane, the former National Security Adviser now recovering from a suicide attempt, it said: "He appeared caught between a President who supported the initiative and the cabinet officers who strongly opposed it."

The harshest criticism fell on Vice-Admiral John Poindexter, Mr McFarlane's successor. He "failed grievously" on the diversion of funds to the Contras, knowing the gravity of this but failing to take steps to stop it.

Mr William Casey, the former CIA director, "shared a similar responsibility".

The one figure who escapes with less blame than the swirling controversies of the past three months have heaped on him is Lieutenant Colonel Oliver North.

Though a lengthy appendix tries to detail some of his "freelance operations", the commission was unable to hear evidence from him. But it found he actively concealed important information, and later produced a chronology with many inaccuracies.

Chronicle of chaos, page 7
Leading article, page 13



Mr John Tower, chairman of the Tower Commission, presenting a copy of the commission's report to President Reagan in the Cabinet Room at the White House yesterday.

PCs are to face perjury charges

By Ian Smith

Students found guilty of offences allegedly committed during a violent demonstration against former Home Secretary Mr Leon Brittan at Manchester University in March 1985 may now challenge their convictions after the suspension of two policemen.

The two officers are accused of lying under oath in the witness box in at least one of the cases brought against students accused of threatening behaviour and obstruction.

Following an investigation, which lasted 15 months, into the riot on the university steps the Police Complaints Authority has uncovered evidence which casts doubt on the conviction of one student whose solicitor has now been advised by the Director of Public Prosecutions that an appeal, even out of time, will not be opposed.

It is certain that several of the other 16 undergraduates found guilty of threatening behaviour and obstruction after the incident in which 37 people were arrested will now launch appeals.

Police Constables Stephen Le Cheminant and Kevin Dean have been charged with perjury and Constable Neville White faces a charge of common assault. Two others have been suspended and all face dismissal if the charges against them are proved.

Over 700 people have been interviewed as have 56 police officers under caution during the investigation by a team of 12 officers who prepared a 45,000-page report, at an estimated cost of £250,000, which will be discussed at a special meeting of the Greater Manchester Police Authority.

Last night's chairman, Mr Stephen Murphy, said he had already discussed tactical changes in controlling demonstrations with senior police officers.

Insufficient corroborative evidence prevented disciplinary action against officers accused of involvement in 44 further complaints of using excessive force.

However, 11 policemen have been reprimanded for either making inadequate entries in their pocketbooks or giving inaccurate statements.

A summons has been issued against former Manchester University student Steven Shaw, aged 24, alleging he attempted to pervert the course of justice but has not yet been served because he is believed to be outside British jurisdiction.

The case of Steven Shaw became a cause célèbre when he claimed to have been savagely attacked by two policemen, tortured with a burning cigarette and left with two black eyes and a broken nose.

INSIDE Cats virus alert in Aids hunt

The discovery in the United States of an Aids-related virus in cats was "scientifically alarming", a specialist in veterinary medicine said.

Professor William Jarrett, of Glasgow University, said although the new virus did not pose a threat to humans, it had "jumped out of primates into another species". He is involved in the £14.5 million Aids vaccine research project, announced by the Government on Wednesday, Page 2

Zircon denial

Sir Gordon Downey, Comptroller and Auditor General, has denied an allegation from Duncan Campbell that he withheld financial information from Parliament about the Zircon project. Page 2

Offices sold

Oldham Estate, the property group created by Mr Harry Hyams and best known for its Centre Point office building in London, is being taken over in a £531 million deal by MEPC. Page 21

FA angry

The Football Association sent an urgent message to UEFA's headquarters in Bern after learning that the European ban imposed on English clubs was not even to be discussed this season. Page 36

Portfolios

● The £4,000 prize in yesterday's Times Portfolio Gold competition was shared by three readers. Details, page 3.
● Portfolio list, page 25.

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US shrugs off Soviet test blast

By Our Foreign Staff

Washington yesterday gave a low-key response to the announcement that the Soviet Union had exploded its first nuclear device in 19 months and ended its unilateral moratorium on nuclear tests.

The Kremlin called a full-scale press conference only three hours after yesterday morning's blast, at which a Soviet major-general blamed the US for having forced the Soviet Union to resume testing in order to maintain strategic parity.

"An historic chance for ending nuclear tests once and for all has been missed at this stage," Major-General Gely Batyennin said.

"It is a matter of deep regret that the US Administration considered it possible to continue its own nuclear test programme and stage two explosions already this year, totally ignoring the wishes of the world public."

In Washington, a State Department spokesman made it clear that what the Soviet Union did for its own nuclear testing programme was Moscow's business.

Reiterating the US position, he said: "As long as we depend on nuclear weapons for our security, we must ensure those weapons are safe, secure, reliable and effective."

This demands some level of underground testing as permitted by existing treaties."

Moscow blames US, page 7

Research funding 'too little too late'

By David Sapsed

British industry continues to lag far behind its main competitors in the level of funding for research and development, according to figures published by the Government today.

The figures also show that the number of scientists and other staff involved in industrial research work in Britain declined by almost 30,000 between 1983-85.

During those two years, however, there was a 5 per cent increase in R & D spending which Mr Paul Channon, the Secretary of State for Trade and Industry, yesterday welcomed as "a step in the right direction".

But Lord Gregson, a leading industrialist and member of the House of Lords committee on science and technology, said the rise was inadequate. "It is too little too late. This country needs a major increase in R & D expenditure, but we are not getting it," he said. "The figures do not differentiate between civil and military R & D. We know military spending has risen substantially and it could account for all the latest increase. That would mean that civil research is at a standstill or has decreased, which is what the fall in employment would tend to suggest."

The Government's figures, based on research in companies employing more than 200 people, show that spending on R & D increased from £4.2 billion in 1983 to £4.8 billion two years later. There were sharp increases in mechanical engineering and chemicals but in the crucial field of electronics it actually decreased from £1.3 billion to £1.1 billion.

The latest figures from the Organization for Economic Co-operation and Development in Paris show that spending by French industry on R & D increased from £5.05 billion to £6.6 billion between 1983-85. In West Germany it went up from £10.75 billion to £12.65 billion.

ICI tops £1bn profit

A second British company has pushed its 1986 profits above £1 billion. Profits at Imperial Chemical Industries, announced yesterday, were up 11 per cent to £1,016 million, pipping National Westminster Bank, which reported earlier this week, by £5 million.

But Barclays Bank disappointed the City with £895 million. Meanwhile, Cadbury Schweppes, increased its profits by 40 per cent to £130.7 million. The stock market gained more ground with the FT 30 Index moving above 1,600 points for the first time to close 168 up at 1,601.7.

Details, page 21

Vote by Synod opens way to women priests

By Clifford Longley, Religious Affairs Correspondent

By a majority more than the symbolically significant two-thirds, the General Synod of the Church of England voted yesterday to proceed with legislation for the ordination of women as priests.

The majority was expected, but not the size: the Bishop of London had made a "substantial" majority his test for considering approaches to the Roman Catholic and Orthodox churches. He later indicated that he thought his test had been passed.

However, the Archbishop of Canterbury, Dr Robert Runcie, said in leading the Synod towards this decision that this was not the crucial vote, which will not come before 1991, 1992, or even 1994.

He urged opponents not to abandon the Church of England at this stage. The church's mind was not yet made up, and had to be properly tested. He also promised further theological study of the underlying issues by a committee of bishops, and said the final decision would be made in the light of their report.

This deliberate down-playing of the importance of yesterday's vote may have helped to enhance the majority in favour of commissioning the drafting of legislation.

Nevertheless, as the eventual final approval will require a two-thirds majority in each of the Synod's three houses, Bishops, clergy and laity, it was regarded as significant that the majorities yesterday were more than two-thirds among the bishops and the laity, and just two votes short in the House of Clergy.

Dr Runcie told the Synod, in presenting a report from the House of Bishops on the recommended shape of possible legislation: "I want to underline this, both to the Synod and to those listening to it and reporting it. The actual decision to ordain women to the priesthood will only have been taken when a draft measure and Canon are given final approval."

The Bishop of London, Dr Graham Leonard, said afterwards that he was now ready to look at the possibility of talking to other churches, such as the Roman Catholic church and the Orthodox church.

"I accept that to have a relationship with Rome involves things I would not accept at present, and it is important to distinguish between soundings, and official overtures. I would not go because I was disgruntled."

The turning point in the debate was an attempt by the Bishop of Chichester, Dr Eric Kemp, to postpone further moves towards legislation until the bishops' theological report was available, a move defeated by 300 votes to 163.

Round this rallied all the opponents, including the Bishop of London. From a number of their contributions, however, it was clear many do not share his determination to break from the Church over the issue, or disagree with the way he has spoken about it so far.

Tottenham PC accuses officers

A police constable who faced the mobs at Tottenham, north London, told the Central Criminal Court yesterday that he was bitter at the way senior officers had failed to take action and quell the disturbances.

PC Ian Pyles, giving evidence during the trial of five men and youths accused of charges ranging from the murder of PC Keith Blakelock to riot and affray, accused senior police commanders of lacking backbone.

He described the attacks on police and said that the disorders on Broadwater Farm Estate in October 1985 could have been dealt with in two hours.

Full report, page 3

BBC waits for new director

The BBC Board of Governors were meeting last night to select a new Director-General from six candidates.

Those interviewed from inside the BBC were Mr Michael Checkland, aged 51, acting Director-General since the resignation of Mr Alasdair Milne; Mr Brian Wenham, aged 50, managing director of BBC Radio; and Mr Michael Grade, aged 43, director of programmes, BBC Television.

Those interviewed from outside were Mr Jeremy Isaacs, aged 54, Chief Executive of Channel 4 Television; Mr Anthony Smith, 48, director of the British Film Institute; and Mr David Dimbleby, aged 48.

Syrian Army chief rules out rescue of hostages

From Robert Fisk, west Beirut

Brigadier-General Ghazi Kenaan, the Commander of the Syrian Army in west Beirut, yesterday said that his soldiers would not undertake a military operation to rescue foreign hostages in Lebanon.

He described Mr Terry Waite, the Archbishop of Canterbury's missing envoy, as a man who showed "too much courage" and who "gave himself up as a hostage" in his efforts to help others.

Only a political solution, he said, could lead to the release of missing foreigners because "a military operation by us could lead to their deaths."

Yet he did suggest - as the British Ambassador, Mr John Gray, hinted himself yesterday that there may soon be a resolution to whom Syria was "sparing no effort." Mr Gray told the Beirut state radio that he hoped to have



Brigadier-General Kenaan: A chilling performance

The Hezbollah (Party of God) have claimed that Syrian troops led 23 of their members from their offices in Basta on Tuesday night and shot them in cold blood. General Kenaan's description of the same incident yesterday had a haunting quality about it.

"We asked all militiamen to leave their offices and hand

them over to Syrian forces," he said. "We agreed that at 5 o'clock in the evening, we would implement our security plan (in Basta). At five, we gave orders to our men to deploy there but they were surprised because suddenly the electricity was cut. The people there were burning their offices."

"Then we came under fire and one of my soldiers was wounded in the knee. So we dealt (sic) with these gunmen in the way you have seen."

The general described the 23 men as "not under the command of their organization," and he defined the other 15 men killed by the Syrians as "freelancers," thus absolving their militia commanders of responsibility.

When I asked the general what he thought of the demands for his death made by angry mourners at the funeral of the 23 men, he replied with

a show of nonchalance. "I have no comment on this - it doesn't concern us and it doesn't affect our plans."

As the general was speaking Syrian Special Forces took up positions outside all embassies in the Muslim sector. Other points in the general's comments included:

- The Syrian deployment throughout west Beirut would be completed at noon today. The war of the Palestinian camps would "fade" as the militias had left their positions.
- Mr Waite "showed too much courage when he came here. He came to sort out the hostage crisis and he became a hostage himself. He gave himself up as a hostage. He was too humanitarian. I don't believe he was a spy like they said; that was merely a label to justify his being taken."
- The kidnappers were not holding their captives in any area under Syrian control.

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NEWS SUMMARY

UK Nazis 'killed British prisoners'

British prisoners of war in 1939-45 were murdered by Nazis now living in freedom in the United Kingdom, it was claimed last night.

The murders took place in Latvia, Lithuania and the Ukraine, according to Scottish Television, which also intends to hand over a list of 34 alleged war criminals resident in the UK to the Director of Public Prosecutions and Mr Greville Janner, Labour MP for Leicester West.

STV says that it has names, addresses and details concerning forged documentation needed to secure entry to Britain for the 34. It alleges that Britain has adopted a policy since 1948 of deliberately ceasing to search for alleged war criminals.

The company said: "We are talking about a small number of these people who we say murdered British prisoners of war." Mr Janner's war crimes committee said yesterday that it was aware of the allegations that British prisoners had been killed by Nazis living in Britain.

BA lends out pilots Car boot damages

British Airways has lent 30 pilots to the German national carrier Lufthansa. The pilots, all first officers, will fly Lufthansa's fleet of Boeing 737 jets for up to 18 months to help it over a temporary shortage. British Airways is itself short of pilots and has begun to recruit again.

The pilots, who began joining Lufthansa in November, will have the option of remaining in Britain and commuting to Germany or of being permanently based in Germany.

American marauders, page 12

A woman who was taken for a one-mile journey in the boot of a panda car has been paid £350 damages by West Yorkshire police.

Miss Michelle Simmons, aged 20, of Forest Crescent, Ilkley, had sued the police, who settled out of court. The incident happened nearly two years ago.

Miss Simmons claimed she was bundled into the boot of a patrol car at the Halifax Royal Infirmary by a woman police officer and her male colleague and driven to the police station before being released.

£6m grant to hotel

The Government has offered a grant of £6 million, the largest urban development grant so far, towards the £32 million cost of a hotel to be built in the centre of Birmingham, Mr Nicholas Ridley, Secretary of State for the Environment, announced yesterday.

The grant has been offered to the Hyatt Hotel group for a 314 bedroom hotel in Broad Street, Birmingham. It will be a 24-storey tower linked to the city's international convention centre by a bridge across the street.

Mr Ridley described it as a key project in the continuing development of Birmingham as a major conference and tourism centre. Since UDC began in 1982, funds of £113 million have been approved on 233 projects.

Prayers for Waite

A motion praying for the speedy return of Mr Terry Waite from his humanitarian mission in the Lebanon was unanimously carried by the General Synod of the Church of England.

The Archbishop of Canterbury, Dr Robert Runcie, said that he would convey its terms to Mrs Waite and her family. He hoped it would not be long before one of the many rumours would prove to have hopeful substance in it.

Synod report, page 5

New bomb evidence

The Home Office wants to see all information uncovered for a Yorkshire Television programme on the bombings of public houses in Guildford and Woolwich in 1974, in which seven people were killed and 60 others injured.

An investigation by *First Tuesday* claimed to have found a new witness, Mrs Yvonne Fox, who says she was with one of the convicted men, Paul Hill, aged 33, on the night of the Woolwich explosion.

"We are seeking full details of Mrs Fox's evidence, and other material the programme contained will be considered urgently", the Home Office said yesterday.

Pop star drug case woman in heroin denial

A mother of four accused of selling heroin to Boy George said yesterday that she had not supplied controlled drugs to anyone.

Diane Feiner, aged 35, was giving evidence for the first time on the thirteenth day of her trial at Knightsbridge Crown Court, west London.

Asked by Mr Kurup Singh, her counsel, if she had ever supplied drugs or conspired with anyone to supply them, Mrs Feiner said: "No, never".

Miss Feiner and her boy friend, Steven Luben, aged 36, a builder, deny a charge of conspiring to supply heroin to Boy George and others.

Earlier, Detective Sergeant Nigel Mawer denied using pressure on the couple for information about Mr Frank Thompson, brother of Daley Thompson, the Olympic gold medalist.

The hearing continues today.

'Life in warehouse' for mentally handicapped

Mentally handicapped people discharged from hospital are being dumped in "warehouses" in the community with no professional support, the Royal College of Nursing said yesterday.

The college says that current government targets to move the mentally handicapped out of large National Health Service institutions have put district general managers under pressure to discharge patients without ensuring that adequate alternative provision is made.

"Thousands of mentally handicapped people are not getting the care they need in the community", Mr Alan Parrish, the college adviser, said. "While there are some good homes there are also places where the general care is disgusting. People are being warehoused into homes where they are bored to tears, are isolated with other mentally handicapped people and given no stimulation."

Elderly say they did not save enough

More than a third of the retired population say that they failed to make sufficient financial provision for their retirement - even though three-quarters of them had contributed to company pension schemes - according to a survey published yesterday.

For the poll, commissioned from MORI by the Scottish Amicable Life Assurance Society, 490 head of household pensioners aged up to 75 years were interviewed.

More than half said they had failed to make sufficient allowance for inflation, and nearly half said the cost of living in retirement was higher than expected.

Among those who admitted they were not enjoying retirement, the average income was £5,098 compared with an average income of £5,000.

The mean household income for all respondents was £6,814.

Mr David Sines, director of nursing services at Winchester, said that under present legislation people could set up homes with no training in the field and employ untrained staff.

Many people were just jumping on the bandwagon, realizing they could exploit the Department of Health and Social Security benefits of £150 a week for mentally handicapped residents.

Launching new guidelines for residential care for the mentally handicapped, Mrs Gillian Sandford, the college's general secretary, said: "If the quality of life in the community is no better than in hospitals the people should stay where they are until adequate resources are made available."

Assuring Quality in the Private Sector: Residential Services in the Community for People with a Mental Handicap (Society of Mental Handicap, 20 Cavendish Square, London W1: £1).

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Watchdog roused to deny Zircon claim

By Michael Evans, Defence Correspondent

Sir Gordon Downey, the independent "watchdog" of all government spending, was roused yesterday into making a strong statement about new allegations of his role in the Zircon spy satellite affair.

Sir Gordon, Comptroller and Auditor General and head of the National Audit Office, was aware of Zircon from the very beginning because the Ministry of Defence gave him full access to the files.

But now he has come under attack from Mr Duncan

Campbell, in an article in the latest edition of *The New Statesman*, which accuses the Ministry of Defence of using a "get-out clause", under which projects that have national security implications need not be referred to the Commons public accounts committee unless Sir Gordon decides to inform the chairman, at present Mr Robert Sheldon, Labour MP for Ashton-under-Lyne.

Sir Gordon said: "In his article Mr Campbell accuses me of withholding information from Parliament which I

had an obligation to provide. In the process he attributes to me a get-out clause, a loophole.

"There are two major issues here. First, national security which Mr Campbell refers to as a 'smokescreen'. I have every reason to believe - and the National Audit Office has had full access to the records on this project from the outset - that the leak has been damaging to national security.

"Mr Campbell is convinced otherwise, which is surprising given his limited and inaccurate information.

"Second, there is parliamentary accountability. As Comptroller and Auditor General I have striven for over five years to improve the Government's accountability to Parliament and I am not prepared to take lessons on it from anyone - least of all Mr Campbell."

"Mr Campbell says there is nothing 'preliminary' or 'experimental' about Zircon. This is untrue. The project has not progressed beyond 'project definition' and there has been no approval for major expenditure by defence

standards. This is not something I 'believe', it is something I 'know'."

In the article published yesterday, Mr Campbell claimed that a Cabinet Office committee had approved expenditure of £200 million on Zircon.

Sir Gordon said yesterday that he had made clear to the public accounts committee about five years ago that it was not the practice to report to Parliament or the committee information which was very highly sensitive on security grounds.

Disruption in schools set to continue, say unions

By John Clare, Education Correspondent

Three unions representing 90 per cent of the teachers in England and Wales yesterday warned the Government that uninterrupted schooling might "never return" if teachers were deprived of their negotiating rights.

The warning was spelled out in a statement distributed to MPs by about 2,000 teachers who lobbied Parliament in protest against the Teachers' Pay and Conditions Bill.

In the statement the leaders of the three unions, the National Union of Teachers, the National Association of Schoolmasters/Union of Women Teachers and the Assistant Masters and Mistresses Association, said they felt no responsibility to ensure that the settlement imposed by the Bill was implemented in schools.

They said the Bill would "simply serve to establish a rule-book approach to teaching" which could only lead to a drop in standards.

The warning was reinforced by Mr Fred Jarvis, general secretary of the NUT, who told a rally of teachers in central London that trouble lay ahead which was "wholly of the Government's making".

Miss Joyce Baird, joint general secretary of the AMMA, told the rally that the interim advisory committee proposed by the Bill could never replace teachers' negotiating rights.

Mr Mike Duffy, president of the Secondary Heads Association, said that no contract, whether freely negotiated or imposed, was a substitute for teachers' goodwill.

The rally, which was a rare display of unity by four of the six teaching unions, ended with an appeal by Mr Fred Smithies, general secretary of the NAS/UTW. "If Mr Baker is genuinely interested in the quality of education let him at this last moment have second thoughts," he said.

Japanese schools give a better basis

Britain's educational system falls well behind that of Japan in providing pupils with a suitable preparation for work in industry, a report published yesterday says (Our Economics Correspondent writes).

The foundation of Japan's extraordinary industrial success is laid down in its education system according to a comparative study by Professor Sig Prais, in the *Economic Review* of the National Institute of Economic and Social Research.

British pupils are weaker in two key areas than those in Japan. Average attainments in mathematics for children up to the age of 15 are much higher in Japan and most Japanese pupils continue to study mathematics and science in the 16-18 age range.

"The example set by Japanese industrial success... raises serious questions whether general educational standards in Britain are set high enough; whether there is sufficient full-time vocational schooling, and whether policies to improve these matters are being pursued with sufficient urgency," Professor Prais said.



A fire officer examines the wreckage of a car hit by a school coach which crashed 20ft from a bridge on the M6 at Euxton, near Chorley, Lancashire, yesterday morning. Several schoolchildren escaped serious injury when the coach plunged into peak hour traffic.

Cat virus hastens Aids vaccine hunt

By Thomson Prentice, Science Correspondent

The origins of the Aids virus must be traced to help scientists to develop a vaccine against the disease, an expert said yesterday.

The discovery of a related virus in cats in the United States was "scientifically alarming", Professor William Jarrett said. Although the new virus did not pose a threat to humans, it had "jumped out of primates into another species".

It now represented the fourth Aids-related virus to emerge within the past three years.

Like one discovered in African monkeys, and two others which were known to cause the disease in humans, it had arrived "out of the blue". Such developments could occur again, he said.

Professor Jarrett, of Glasgow University, is a leading scientist involved in the £14.5 million vaccine research project announced by the Government on Wednesday.

The origins of Aids were probably to be found among monkeys in central Africa, Professor Jarrett, a specialist in veterinary medicine, said.

"We must ask ourselves whether there is some source from which these viruses

Kinnock's challenge to unions

By Ronald Faux, Employment Affairs Correspondent

Trade unions must face the new challenges and conditions in industry and mould them to meet the interests of people or be pushed aside by the tide of reality, Mr Neil Kinnock, the Labour Party leader, said yesterday.

Mr Kinnock was launching a membership drive by the Transport and General Workers' Union, of which he is a member. The union aims to recruit members from the growing sector of temporary and part-time workers, which Mr Kinnock compared with the old order of serfdom and sweatshops.

Mr Kinnock attacked the Government for responding to modern conditions with "antique answers of unemployment, laws intended to eradicate trade unionism and the sermon that people should price themselves into work", even where the areas with lowest wages were also the areas with highest unemployment.

"They respond with policies which push Britain straight towards a low pay, high unemployment, low tech, no tech future," the Tory "strategy of insecurity" he said was just a part of their purpose of creating a disposable, submissive, subordinate labour force.

The union's "Link Up" campaign will be directed towards the industrial North. The TGWU is threatening to take the electricians' union to court in support of its allegations that TUC rules governing one-union company representation have been breached.

Mr George Wright, its Welsh regional secretary, is also pressing for the Electrical, Electronic, Telecommunications and Plumbing Union to be expelled from the TUC because of its alleged behaviour over recruitment at the Japanese-owned Orion company in South Wales.

Firms told to sue over leftists' contracts ban

Companies refused contracts by left-wing local authorities for political reasons were urged by a minister yesterday to take legal action.

The advice from Mr Rhodes Boyson, Minister for Local Government, came just a week after Mr Nicholas Ridley, Secretary of State for the Environment, announced he was dropping key legislation which would have given local councils imposing political conditions on the granting of contracts.

Mr Boyson insisted that much of the "blacklisting" carried out by councils could be challenged under existing law.

The minister said Leicester Rugby Football Club challenged its council's unreasonable actions all the way to the House of Lords, and won.

"And a bus operator in east London challenged his council's refusal to renew a contract because he had carried people across the Wapping picket lines. He won, and the contract was renewed."

The minister's broadside was delivered at the Adam Smith Institute in London.

Gossip column war

Jazz band funeral for William Hickey

By Alan Hamilton

The death has occurred, for the second time in his life, of William Hickey, one of the oldest and best-known residents of Fleet Street. His funeral took place outside his home yesterday, attended by his many children, friends, enemies, and two men each claiming to be his murderer.

To the mournful accompaniment of a jazz band, Mr Hickey's plain plywood coffin, surmounted by roses, lilies, and an ancient typewriter, was borne by pallbearers in black hats from the offices of the *Daily Express* where he had lived for 53 years as the century's most celebrated chronicler of the inconsequentialities of life.

The cortege stopped outside the gate of St Bride's, the

parish church of Fleet Street. It had been discouraged from entering a holy place as the coffin contained no human remains, only old newspaper cuttings. The unkind remark that if Mr Hickey had any remains, they were unlikely to be human anyway.

Mr Christopher Wilson, a journalist, read out a roll of honour of those who had been associated with Mr Hickey during his life, and ended with the nearly-familiar lines of Byron: "At the going down of the Sun - and of the *Daily Mirror* and *Daily Mail* - we shall remember them."

His confessions tickled the late Lord Beaverbrook who adopted the name for the gossip column begun in 1933. The last William Hickey column appears today: from Monday it will go under the name of its new and real editor, Mr Ross Benson.

Mr Nicholas Lloyd, editor of the *Daily Express*, said that the death of Mr Hickey was less murder, more euthanasia.

The problem of having a gossip columnist who did not exist was that he could not go on television and extol the virtues of his newspaper.

The real problem is that, for the first time in memory, sales of the *Daily Mail* have overtaken those of the *Daily Express*.

Banned from the precincts of the church the coffin, bearing the yellowing memories of Captain Leonard Plugge and his 14 telephones, Old Etonian Major Timothy Tufnell and his Marrakesh nose job, Lord Wrottesley and his broken romance party at Crookfords, and the other massed battalions of the forgettable, lurched down the back alleys of Fleet Street to its last resting place in the infinitely more proper surroundings of a wine bar.

Both he and Mr Steel used the evidence of opinion polls to insist that the majority of people wanted better services rather than income tax cuts.

The Prime Minister told one Labour MP: "I notice that the Labour party is the party of higher taxation at all levels."

"We believe that the Chancellor doesn't give away money on Budget Day. He decides how much of people's own money he is going to take away."

Mr Roy Hattersley, Labour's deputy leader, told journalists at Westminster last night that after the recent few frenzied weeks it looked as if the Government was preparing for a quick scuttle and run. Parliament, page 4

Alliance promise to keep tax cuts

By Nicholas Wood, Political Reporter

A future Alliance government would not reverse any tax cuts which may be introduced by Mr Nigel Lawson, Chancellor of the Exchequer, in next month's Budget, it was disclosed yesterday.

Although Alliance MPs will vote against tax cuts, the two parties would not translate that opposition into an election pledge to restore any reductions made by the Chancellor.

Senior Alliance leaders are taking the pragmatic view that although the public can be persuaded to support a party opposed to tax cuts, they will not vote for higher taxes.

Instead, the Alliance will seek to finance its plans for higher spending on job creation, training projects and the Health National Service out of increased borrowing.

Its approach to fiscal policy is in marked contrast to the Labour Party, which is committed to raising £3.6 billion through bigger taxes on the top 5 per cent of income earners, through a combination of higher marginal rates and reduced allowances. Labour is also pledged to reverse any tax cuts that Mr Lawson might introduce, now widely expected to be 2p in the pound at a cost of about £3 billion in lost revenue.

Labour would use the extra £3.6 billion to pay for better pensions, child benefits and supplementary benefits for the long-term unemployed. It would also borrow £6 billion to finance its plans to cut unemployment by one million within the first two years of taking office.

However, this borrowing figure could fall to as little as £3 billion if Mr Roy Hattersley, the shadow chancellor, opts to plough back reversed tax cuts into the jobs programme. In practice, the extra borrowing is likely to be pitched somewhere between the two figures.

More precise details of Alliance economic policy will be given in its "green budget", to be published shortly before Mr Lawson's statement on March 17. The Alliance will release a revised budget near the start of the election campaign, taking account of any changes made by Mr Lawson. The revised document will also include laboriously reworked proposals on merging the income tax and benefits system.

Thatcher echoes Stockton

By Richard Evans, Political Correspondent

Mrs Thatcher last night echoed the words of Harold Macmillan, Lord Stockton, by insisting that Britain has never had it so good.

In a clash with Mr Kinnock during Prime Minister's question time she said: "We have now a higher standard of living than this country has ever known. A higher standard of health service than this country has ever known."

In what appeared a classic general election dress rehearsal performance, Mrs Thatcher brushed aside requests from both the Labour and Liberal leaders that any extra money earmarked by the Chancellor for tax cuts in next month's budget should be devoted towards job creation projects.

Instead she highlighted the optimistic predictions on the state of the economy produced by the National Institute for Economic and Social Research and the Association of British Chambers of Commerce.

Her word led Conservative backbenchers with the clear impression that a summer general election is increasingly likely.

Mr Kinnock said £3,000 million spent on health and education services and building homes would generate four times as many jobs as the same sum given away in tax cuts.

He said: "Prudence dictates to the Government they should use whatever resources they have to generate jobs in Britain rather than pre-election giveaways."

Both he and Mr Steel used the evidence of opinion polls to insist that the majority of people wanted better services rather than income tax cuts.

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Broadwater police commanders lacked backbone, says PC

By Stewart Tendler, Crime Reporter

Senior police commanders at the disorders in Tottenham, north London, lacked the backbone to bring the riots to a swift end, a constable who faced the rioters told the Central Criminal Court yesterday.

The criticism came on the twenty-seventh day of the trial of men and youths facing charges ranging from the murder of Police Constable Keith Blakelock to riot, affray and throwing petrol bombs at Broadwater Farm estate in October 1985.

The attack on police strategy was delivered by PC Ian Pyles, aged 25, after he was called as a defence witness for a youth cleared of the murder of PC Blakelock earlier this week but facing riot and affray charges.

During cross-examination by Mr Roy Aitken, for the prosecution, PC Pyles was asked if there were police plans to invade the estate.

He said: "Far from it. If there had been a plan I think they would have put someone in charge with a knowledge of dealing with riots and with some backbone."

PC Pyles told the court: "The man in charge of us overall did nothing to stop that riot."

He described how police moved close to a barricade in one street but were called back just when they could have scaled the barricade. Later the barricade was set on fire and could not be approached because of the heat.

PC Pyles said his experiences on the night were "extremely frightening and made me quite bitter against senior officers in the police force because of their lack of backbone in stopping that riot. We could have stopped it within two hours."

Asked if he was bitter about having to take punishment from the rioters without doing anything positive, the constable said: "That is correct. We had the manpower and the weaponry to stamp that riot out as quickly as it started but we were not allowed to by our senior officers."

He said: "At one stage there was so much debris being thrown at us it felt as if someone was constantly pushing on the shields."

There was a point in one street when the rioters came so close to the police line of shields that they pulled the front of the shields down and struck at police.

A beer barrel filled with petrol was thrown from above. After it landed rioters on the ground picked it up and threw it at police a second time.

PC Pyles said he also saw a man with a rifle aiming at police from one of the blocks on the estate. There was a youth at one stage with a 6ft pole with a knife attached to the end of it which he poked over the line of shields.

The four on trial for the murder of PC Blakelock are Winston Silcott, aged 27, a greengrocer, of Martlesham, Broadwater Farm estate; Mark Braithwaite, aged 20, unemployed, of Canonbury, north London; Engin Rahip, aged 20, unemployed, of Wood Green, north London; and a youth aged 16, Mr Rahip and the youth have pleaded not guilty to charges involving petrol bombs.

The hearing continues today.



Deer in Richmond Park, west London, some of which are said to be dying because of stress caused by packs of competing cross-country runners that rush past them (Photograph by Mark Pepper).

Deer 'scared to death by runners'

By John Goodbody, Sports News Correspondent

Cross-country races have been curtailed in Richmond Park, west London, after wild deer have died from stress which may have been caused by the animals being upset by packs of competing athletes.

In a two-month period early in 1986, 120 deer died in the royal park, a favourite training venue for many of Britain's leading runners.

The park authorities commissioned a number of veterinary surgeons to investigate, and the Department of the Environment said: "They identified stress as one of the causes."

"They did not point the finger at athletes or dogs and they are also not blaming the cars which cross the park."

"But to reduce the stress on the deer the park authorities wrote to local athletics clubs."

At first, the park superintendent said there should be no events at all between March 31 and October 1 and during the cross-country season permission would be given for only one race a week.

But after discussions with local clubs the authorities have agreed that events could be rerouted so as not to go close to the deer sanctuaries.

Mr Bill Bird, the president of Ranelagh Harriers, which includes Chris Brasher among its members, said: "Our club has been using the park for 105 years and we are extremely concerned about the welfare of the animals."

£830m to relieve rail overcrowding

By Rodney Cowton, Transport Correspondent

British Rail commuter services in London and the South-east are to benefit from an £830 million investment programme to help offset increased crowding arising from a growth of nearly 20 million passenger journeys in the past two years.

British Rail's Network SouthEast has been ordered to reduce its government subsidy from about £250 million to £160 million in 1989-90. Mr Chris Green, the network director, says he hopes to cover nearly half of the subsidy cutback by increasing income.

One project already under way is the reopening of the Snow Hill tunnel, between Farringdon and Blackfriars,

London, which will provide through services from Bedford to Gatwick airport and elsewhere.

Network SouthEast says the project is running six months ahead of schedule, and limited services may be introduced next October. However full services will not begin until May next year.

A total of 680 new rail coaches are to be introduced by 1990. It is also hoped to start a programme of replacing rolling stock in Kent in 1990 and in Essex in 1992.

A number of lines are also being reopened for passengers, including one from Kettering, Northamptonshire, to Corby in April and from Bicester to Oxford in May.

Strategy to end house sale chains

By Christopher Warman, Property Correspondent

A scheme to end the frustration and delays caused by a break in a house purchase chain, one of the main worries for home buyers, was launched yesterday by Homequity, a leading UK property services company.

Under the scheme, called the GoldLink Chainsaver Plan, the householder left without a buyer will be able to turn to the estate agent as an alternative buyer, if a chain is broken, and complete the move as planned. The 750 independent estate agents in the Homequity network will be able to use its finances to buy the property.

It will be valued by at least two firms at its open market value, and the estate agent will offer the owner between 88 per cent and 92 per cent of that value. If the offer is accepted, the deal will normally be completed within three weeks.

It is for the agent to decide, based on market conditions and other considerations, where to pitch the offer within the prescribed limits, but Homequity points out that 92 per cent is probably worth 94 per cent, if the cost of agent's and legal fees are included.

Research among the network agents shows that three-

quarters of all housebuyers are affected by chains, one in three of which is broken.

Almost any sound, mortgageable property is eligible for consideration under the scheme.

Taking a house valued at £35,000 as an example, if an agent offered 92 per cent he would pay the owner £32,200. From the remaining £2,800 he would be responsible for fees and costs estimated at £1,378, leaving a profit to the agent of £1,422, but only if he were to sell the house immediately.

He has to pay interest to Homequity on the loan to buy the house, and the company will estimate that the agent will break even if he sells it within about 17 weeks.

● Delays at the Land Registry are now so bad that Mr E J Peyer, the Chief Land Registrar, has said he will take special steps to deal with urgent conveyancing cases such as where a re-sale is being contemplated.

In a letter in this week's *Solicitors' Journal* he expresses "regret" that applications are taking so long to complete.

But he points out that in the past year the workload has risen by some 25 per cent.

No action on arrest death

By Craig Seton

The two West Midlands policemen involved in a violent struggle in which a young man was asphyxiated, will not be suspended from duty. Their chief constable, Mr Geoffrey Dear, said yesterday there was no reason to do so at this stage.

PCs Michael Hobday, aged 29, and Neil Thomas, aged 23, are still on sick leave, after being injured during the incident, but are expected to return to duty next week.

Mr Dear said the death of Mr Clinton McCurbin, aged 24, while he was being arrested by the two officers in the Next fashion shop in Wolverhampton, a week ago, was still under investigation by the Police Complaints Authority (PCA), but the authority had not recommended suspending the two officers, and he regarded that as "significant".

There were two days of disorder, in which a crowd of youths smashed shop windows and looted goods, after Mr McCurbin's death.

Chief Supt David Ibb, the head of Wolverhampton police, said that the two officers had been attempting to make a "proper arrest" when they became involved in a violent struggle with Mr McCurbin, who was alleged to be using a Barclaycard stolen in a Wolverhampton burglary.

Mr McCurbin's funeral is expected to be delayed for at least another week because two more post-mortem examinations are likely to be carried out. Mr McCurbin's family wants one to help with its inquiry into his death, and another is expected to be demanded by lawyers acting for the two police officers and paid for by the Police Federation.

Mr Dear described the police operation after Mr McCurbin's death as "impeccable". He believed it had prevented serious disorder breaking out in Wolverhampton.

Police death charges

A man aged 41 will appear in court in Leeds today after new inquiries into the killing of police sergeant in 1984.

West Yorkshire police said the man, arrested in York on Wednesday, was charged with conspiracy to rob and firearms charges in connection with the incident in which Sergeant John Speed was shot dead and former Police Constable John Thorpe, was seriously wounded outside the parish church in Kirkstall, Leeds.

Two men facing armed robbery charges, who have been questioned in connection with the Speed killing are to make a further appearance at Teesside magistrates court today.

Verdict today on 1965 death

A jury will today consider its verdict on a man alleged to have murdered his wife 21 years ago.

Mr Bryn Masterman, a prison officer aged 47, of Gertrude Road, Nottingham, has admitted unlawfully killing his first wife, Janet, in May 1965, but denies intending to kill her.

Mr Igor Judge, QC, for the defence, asked the jury at Nottingham Crown Court yesterday to acquit Mr Masterman of murder. He said the truth was that he had killed his first wife unlawfully and criminally, but he said: "The verdict is manslaughter."

An inquest returned a verdict of accidental death on the woman, whose husband later married his lover, Selina, now aged 51.

Mr Brian Appleby, QC, for the prosecution, has told the jury that Mr Masterman made the "classic mistake" of telling his second wife what he had done. She went to the police when their marriage began to collapse last year.

Mr Masterman has admitted hitting his first wife, who was aged 25, with a stool after an argument and pushing her down the stairs at their Nottingham home. But he said he pushed her as she tried to slap him and claimed it was a reflex action.

Lamplugh quits Law Society

By Frances Gibb, Legal Affairs Correspondent

Mr Paul Lamplugh, father of the missing estate agent, Miss Suzie Lamplugh, is to retire early as part of a re-organization of the Law Society, the solicitors' professional body.

Mr Lamplugh, aged 56, was appointed in August to be secretary of the society's ethics and guidance department, which is now to merge with the education and training department. The secretaries of both departments are being offered early retirement and a new head of department will be recruited from outside.

The overhaul of the Law Society's organization is in line with a report last June by Coopers and Lybrand, the management consultants.

The Law Society has been attacked over its handling of complaints, and over what solicitors saw as its failure to respond to government proposals to end the conveyancing monopoly.

Coopers and Lybrand concluded that the society's committee structure made it unable to make decisions and act swiftly on them.

The main change is to streamline the society's 10 departments into five directorates.

Himalayan myth finds Mars a hit

By Ronald Faux

The mountaineer Chris Bonington will keep his eyes open during his next Himalayan expedition for a shambling creature covered in coarse dark hair and with a penchant for Mars Bars.

His expedition to Mount Everest (29,257ft) in the Rolwaling Himal, on the border between Nepal and Tibet, departs today. The area is deep in Yogi day. The area is deep in Yogi day. The area is deep in Yogi day.

It was on the Meilung glacier that the pioneer explorer, Eric Shipton, took his famous photograph of an alleged Yeti print, a large four-

toe footmark that changed the minds of many mountaineers about the creature.

The late Don Whillans, while on a Himalayan expedition led by Chris Bonington, glanced out of his tent one moonlit night and saw a huge creature loping off across the snows clutching the expedition's supply of Mars Bars.

The beast ranks alongside the Loch Ness Monster as teasing fantasy or ugly reality and the Nepalese are happy to keep the myth (if myth it is) healthily alive.

Some monasteries will, for a fee, unlock their treasured Yeti skull, which usually has

the look of a well-weathered coconut.

It was only last year that Reinhold Messner, the mountaineer from Italy, climbing his fourteenth and final 8,000-metre peak near Everest, stopped in his tracks 40 feet away from a massive creature covered in dark hair and making unfriendly grunting noises.

From a glance Messner reckoned the animal would weigh in at 450lb.

Chris Bonington will be keeping an open mind and a careful watch. "The evidence that it exists is very strong. People rarely go to this area because it is so remote."

Portfolio - Gold - Golden years in comfort

The retirement years of three readers of *The Times* are to be more comfortable after they shared in yesterday's £4,000 Portfolio Gold prize.

Mr Denis Field, aged 71, of Beverley, north Humber, a keen golfer who worked in the bakery trade, said: "I have no plans yet for the money, I am still completely surprised."

Mr Field and his wife, Audrey, who have a son and daughter, have read *The Times* for several years.

Mr Gray Sinclair, aged 72, of Bayswater Road, west London, although retired, still works as an international commerce consultant.

He said he was shocked by his good fortune. "I have been reading *The Times* for 20 years. I do the crossword. My wife will probably want something with the money, and it will be a help in developing my consultancy activities."

Mrs June Whipp, wife of the third winner, Mr Edward Whipp, will also lay claim to some of the prize.

Mr Whipp, aged 66, a retired Ministry of Defence technical Civil Servant, of Southsea, Hampshire, said: "My wife has earmarked about a third of it for little things she thinks she needs. It will certainly help the bank balance, and we will probably dine out and go on a holiday."

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PARLIAMENT

People want tax cuts, Thatcher tells Opposition

PRIME MINISTER

Mrs Thatcher denied that people wanted more to be spent on public services, rather than lower taxes, when Mr Kinnock, Leader of the Opposition, and Mr David Steel, the leader of the Liberal Party, presented her with an opinion poll evidence to that effect during question time. Mrs Thatcher turned the attack by labelling Liberal and Labour parties as parties of higher income tax.

Mr Steel said that an opinion poll in the *Today* newspaper showed that a clear majority would rather that money was spent this year on jobs, education, pensions and health, than on taking 2p or 3p off income tax.

"It shows that the people of this country have a higher concept of their responsibility to their neighbours than has the Prime Minister."

Mrs Thatcher: I have noted that the Liberal Party wants higher income tax for nurses and teachers, but people do not wish to have higher income tax. We believe that the Chancellor does not give away money in the Budget but decides how much of people's own money he will take away (Conservative cheers).

Mr Cecil Franks (Barrow and Furness, C) asked if the Prime Minister had noticed the latest optimistic forecast from the National Institute of Economic and Social Research on jobs, inflation, growth and outlook. Would she confirm that the Government's policies, which had secured these prospects, would be continued both in this Parliament and the next?

Mrs Thatcher: I have noticed that particular report. It said the economy would expand by nearly 3 per cent this year. It has been accompanied by other optimistic reports from the Association of British Chambers of Commerce and the Institute for Fiscal Studies.

The policies which have led to a very healthy industrial and commercial base will be continued in the next Parliament.

Mr Kinnock said that £3½ billion spent on high quality health and education services and on building homes would generate at least four times as many jobs as an equal sum spent on tax cuts.



The Prime Minister should apologize to Mr Duncan Campbell and all those smeared by her accusations during the Zircon controversy, Mrs Ann Clwyd (Cynon Valley, Lab) said during question time, but Mrs Thatcher rejected the invitation to Conservative cheers.

Mrs Clwyd: Does she recall question time on January 22 when she described Mr Duncan Campbell as "ferreting around" and a "threat to national security"? (Conservative cheers). Will she now apologize to him - (Labour cheers and Conservative laughter) - and to all those smeared by her accusations.

Mrs Thatcher: No. The matters referred to were accepted by both front benches as a threat to national security. Yesterday Mr Campbell gave the High Court a binding undertaking not to publish sensitive information about a security defence project. The injunction against him was accordingly discharged in the light of that binding undertaking.

Mrs Clwyd raised the matter again during business questions later. She said there was continuing public disquiet about the circumstances surrounding the Zircon affair and the belief that the injunction against Mr Campbell was an attempt to intimidate and to stifle public discussion.

Many questions still needed answering, she added, when calling for a debate on the issues raised by the whole affair.

Mr John Biffen, Leader of the House, replied that her remarks were not designed to contribute to calm judgement but merely to exacerbate passion and he rejected them.

Kinnock issues challenge on Campbell case

The undertaking given by Mr Duncan Campbell, which had now led to the lifting of the injunction against him, could have been sought and accepted by the Government at a much earlier stage, Mr Neil Kinnock, Leader of the Opposition, said during exchanges on the business statement in the Commons.

The Solicitor General (Sir Patrick Mayhew) should therefore make a statement to the House explaining why the Government had not sought such an undertaking earlier, instead of engaging in eight months of inactivity and two weeks of bullying.

He should also comment on the legal opinion obtained by the BBC to the effect that the Special Branch had no access on the corporation's Scottish offices, on the instructions of the Government, was almost certainly unlawful.

Mr John Biffen, Leader of the House, said that he took note of Mr Kinnock's request for a statement and it was perhaps something that might be considered.

Mr Robin Cook (Livingston, Lab) said that if it was the Government's contention that it had applied for an injunction against Mr Campbell in order to obtain an undertaking from him that he would not reveal technical information, could someone explain why the Government also sought to obtain injunctions against Mr Cook and 13 of his colleagues since patently they had no technical

Tory tax plea for the women

The Stock Exchange had recently produced information suggesting that 42 per cent of individual shareholders were women, Mrs Marion Roe (Barnstaple, C) said during Commons question time.

Since many of those were married women whose present tax position most people would accept was unfair, this well-known statistic emphasized the importance of the reform of personal taxation, as outlined in the Government's Green Paper.

Mr Ian Stewart, Economic Secretary to the Treasury, replied: I am delighted to hear that such a high proportion of personal shareholders are women, but matters of that kind are not for now.

BA attack is rejected

Allegations that the shares of British Airways were deliberately undervalued before its recent privatization were rejected by Mr Nigel Lawson, Chancellor of the Exchequer, during Commons questions.

Mr David Nellist (Coventry and Rugby, C) said that £50 million of profit was made on the first day including a personal profit for Lord King, chairman of British Airways, of £13,000. Like all the other privatization exercises, this was legalized theft.

Mr Lawson said that, on the contrary, it was public ownership in the true sense of the word (Labour protests).

Praise for the economy

The strength of the non-oil economy had exceeded all expectations in the past year, Mr Ian Stewart, Economic Secretary to the Treasury, said during Commons questions.

The agreement with Mr Timothy Smith (Barnstaple, C), who said that only a year or two ago people were asking what would happen when the oil ran out, but now that oil revenues had run right down, Government revenues were more buoyant than ever.

A good year for industry

The record exports of the British aerospace industry in 1986 demonstrated the strength of manufacturing and high-tech industry in Britain, Mr Gerald Howarth (Cannock and Burnwood, C) said during Commons questions.

That performance gave the lie to Mr Kinnock, Leader of the Opposition, who was doing a great disservice to manufacturing industry, he added.

Mrs Thatcher agreed that the industry and British Aerospace in particular had had a good year.

Police help

The introduction of more non-police workers into provincial police forces in England and Wales released a further 580 officers for operational work last year, Mr Douglas Hogg, Under-Secretary of State, Home Office, said in a Commons written reply.

It was estimated that in the Metropolitan Police area the process would release 108 officers in the 1986-87 financial year and a further 160 the next year, he said.

Payne case

Overturning payments and other additional costs incurred by the Metropolitan Police in connection with the investigation of the Cynthia Payne case was £2,500, Mr Douglas Hogg, Under-Secretary of State, Home Office, said in a Commons written reply.

More officers

The number of police officers in England and Wales has increased by 10,057 to 121,550 since the Conservative came to power in May 1979, Mr Douglas Hogg, Under-Secretary of State, Home Office, said in a Commons written reply.

The Opposition motion was rejected by 252 votes to 189 - Government majority, 66 and agreed to.

Time for decision on Lyndhurst

HOUSE OF LORDS

For 50 years there had been argument over the route of a bypass for Lyndhurst in the heart of the New Forest, covering two public rights of way, consultations and countless local meetings. Now it was time for a decision, Lord Boyd-Carpenter (C) said in the House of Lords when moving the second reading of the Hampshire (Lyndhurst Bypass) Bill.

He said that the route proposed by Hampshire County Council would cover 1.75 miles around Lyndhurst, would be single carriageway in each direction, would be landscaped and fenced and would cost about £2 million.

One who knew the area needed reminding of the appalling chaos which spoils life for the 3,000 inhabitants every day. It would be impossible to find anyone there who was not anxious to have a bypass, but who was also not becoming increasingly impatient over the delay.

The route was an attempt at compromise. The Venerable of the Forest, who had a duty to see the New Forest remained open, and to protect the grazing land for ponies and cattle, wanted a route through Lyndhurst. The residents wanted a new road as far from them as possible.

The Earl of Malmesbury (C), a former Verderer of the New Forest, said they would be failing in their duty to protect the amenities of the forest if they were to accede to the county council's proposal.

Lord Aberdeen, the Chairman of Committees, said second reading did not indicate approval for the principle of the Bill, merely that it should go before a select committee for detailed discussion and a report to the House. That would be the appropriate procedure.

Lord Montagu of Beaulieu (C) said that those opposed to the proposal seemed to take little account of the prolonged suffering of the people of Lyndhurst, which became intolerable when it was strangled by traffic during the summer.

Lord Denning, former Master of the Rolls, said a decision on the bypass could not be left to the Court of Verderers because they had no authority to fence roads and all main roads through the New Forest were fenced to protect the wild ponies. Only Parliament could give that authorization so clearly Parliament should make the decision.

Lord Skelmersdale, Under-Secretary of State for the Environment, said the Government did not want to take sides. Traditionally, it was a matter for the Verderers to decide on private Bill while the Government remained neutral and this Bill should be no exception.

The Bill was given an unopposed second reading.

Teachers' deal 'is excellent'

SCHOOLS

The teachers had had a better deal from the present Government than from any previous Government, Mrs Margaret Thatcher, the Prime Minister, told Mr Martin Flannery (Sheffield, Hillsborough, Lab), who had said that not only teachers' unions, but the entire trade union movement was being deprived of the right to negotiate.

Mr Flannery: Will she take note of the hurriedly organized lobby for teachers' unions outside the door here, asking for the right to negotiate as unions, a right taken from them in a Bill brought forward by a minister who does not understand what he is doing.

Mrs Thatcher: The overwhelming majority of teachers and all the parents know that teachers have had a better deal from this Government than from any previous Government. It takes them away above what used to be their benchmark, the Houghton award. It gives them pay and conditions which ensure that the better teachers get better pay. This is an interim arrangement until a more permanent one can be worked out.

Mr Stefan Terlecki (Cardiff West, C) had earlier said that the trade union reform just announced would be welcomed by the Rolls, said a decision on the bypass could not be left to the Court of Verderers because they had no authority to fence roads and all main roads through the New Forest were fenced to protect the wild ponies. Only Parliament could give that authorization so clearly Parliament should make the decision.

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The Bill was given an unopposed second reading.

Government 'will act quickly on the schools pay legislation'

The Government is to act quickly once the Teachers' Pay and Conditions Bill becomes law so that teachers do not have to wait too long for their pay increase, Mr Kenneth Baker, Secretary of State for Education and Science told MPs when they considered Lords amendments to the Bill.

The Bill repeals the Remuneration of Teachers Act, 1965, and thus abolishes the Burnham Committee which had negotiated teachers' pay.

Mr Baker said that differences between those involved in setting teachers' pay and conditions had led to the Government's advocating an interim advisory committee on the issue until a more permanent solution could be found.

The Government intended to bring forward some "modified" proposals to the select committee on pay, but they would be retaining essentially the same structure.

He was moving that the House should agree with those amendments made in the Lords that the proposed advisory committee that would report to him should be an interim body.

"Once this Bill receives Royal Assent it is the Government's intention to bring forward proposals quickly on pay and employment so that the time before they receive their January 1 increase is kept to a minimum."

"I do not intend to spell out the Government's proposals other than to say that there will be some modifications to the Government's earlier proposals on pay while retaining essentially the same structure."

He gave four reasons why an interim advisory body was the right solution at the present time.

First, he did not believe it was possible to establish satisfactory new permanent arrangements while there was such discord among teachers' unions.

The second was the lack of any consensus about permanent arrangements.

The third was because of the balance it would provide both for the introduction of an independent body for the clearing process and consultation involving the parties directly involved.

It would be independent minded and would seek some guidance from him. "But it will not be my poodle."

The fourth was that further consideration needed to be given to the position of head teachers. The salaries of heads could not be wholly detached from the salaries of teachers but they should have a separate reference to the position of head teachers.

It would be optimistic to expect that conclusions on the longer term would be agreed quickly.

"We need experience of the interim machinery in the Bill. But we have made clear that if, in a new and more settled climate, the Government can come to a conclusion by early 1989 on the form of future permanent machinery, new legislation could be introduced which would set up that permanent machinery in good time for the 1990 settlement."

"We will work towards permanent machinery from March 1990, but if we are to reach conclusions acceptable to the Government, local authorities, teachers' unions and the Church, we will have to have thorough and radical thinking. It is highly unlikely that conclusions can be reached if we are beset by discord and disruption."

The education of the nation's children was so important that they could not afford futile disputes and strikes against a

This Bill infringes teachers' basic rights

Bill which had achieved substantial majorities in Lords and Commons under conditions of "Parents will condemn any such industrial action by teachers who will receive an average 25 per cent pay increase between March 1986 and October 1987."

Mr Giles Radice, chief Opposition spokesman on education and science, said that the Government had been able to preserve the Bill almost in its original form when it went to the Lords. It was still a bad Bill and infringed basic rights of local authorities and teacher organizations to determine teachers' pay and conditions.

Nothing had persuaded him to change his mind that the advisory committee was the Secretary of State's poodle. He could impose his own solution. "It remains his poodle, but it is a dog which cannot even bark."

Putting the word "interim" into the Bill only reminded the House of the Government's bad promise that the Bill, the committee and the powers given to the Secretary of State would be replaced by legislation which

High interest rates are still necessary to fight inflation

Mr Nigel Lawson, Chancellor of the Exchequer, acknowledged during questions that interest rates were higher in Britain than in other countries, such as France and Germany.

He said that that was necessary at present to secure the steady downward pressure on inflation. Interest rates would be lowered only when it would be safe to do so.

It was an integral part of the medium-term strategy that the public sector borrowing requirement should be reduced.

The PSBR was one factor in determining interest rates, but there were many others.

Mr Anthony Beaumont-Dark (Birmingham, Selby, C), one of the most helpful critics (for manufacturing industry) would be to reduce government borrowings so that 2 per cent could come off interest rates rather than 2p in tax.

Mr Lawson: It is difficult to draw a precise connection between a particular reduction in government borrowing and a particular effect on interest rates. The level of public sector borrowing is one factor that determines interest rates, but there are many other factors as well. British industry is exceedingly healthy and that is one of the reasons indeed why the strong improvement in the Government's tax revenues comes from increased profitability and increased corporation tax.

Mr Roy Jenkins (Hillhead, SDP) asked what were the interest rates in France and Germany, the two major countries who were within the European Monetary System.

Mr Lawson said that while it was perfectly true the interest rates in this country were higher, he was not at all clear that the difference was attributable to the growth of the others were in the EMS.

More than 2,000 people a day had invested in the new personal equity plans in the first month of the scheme. Mr Nigel Lawson, Chancellor of the Exchequer, said during Commons questions.

He described this response as "most encouraging".

Mr Graham Bright (Luton South, C) said that people could possibly invest only in 30 or 40 big companies and that was restrictive. Would Mr Lawson try to extend the list so that some of the smaller public companies, indeed some of the unquoted companies, could be invested in? That would help

Parliament next week

The main business in the House of Commons next week will be: Tuesday: Debate on Welsh Affairs. Tuesday: Local Government Bill, second reading. Rate Support Grants Bill, remaining stages. Wednesday and Thursday: Abolition of Domestic Rates etc (Scotland) Bill, remaining stages. Friday: Debate on private member's motion on inner cities. Main business in the House of Lords will be: Monday: Debate on the Sizewell power station inquiry report. Tuesday: Banking Bill, second reading. Fire Safety and Safety of Buildings Bill, report. Wednesday: Debate on the "brain drain" of qualified married women requiring opportunities for part-time work and on the English language and the ease for making it easier to learn. Billiards (Abolition of Restrictions) Bill, second reading. Thursday: Local Government Finance Bill, report.

Parliament today

Commons (9.30): Debate on private member's motion on licensing reform and the problems of alcohol excess.

Labour's 5-point care plan for elderly

The following reports of Commons debates on priorities for the elderly and health care and services for the elderly appeared in later editions of this newspaper.

A five-point plan for community care which a future Labour government would introduce, to be funded within the £6,000 million budget proposed for jobs, outlined by Mr Michael Meacher, chief Opposition spokesman on health and social security, when he opened the debate on priorities for the elderly.

He proposed a motion that the House, noting that more than a quarter of the population are in poverty, at or below the supplementary benefit level, called on the Government to reverse its policy of reducing the resources devoted to the needs of elderly people.

In the face of Government neglect, the Labour Party had prepared a five-point plan for community care: a regular audit of social and health needs; the establishment of community assessment teams better distributed of services throughout the country; a charter for those providing care for old or disabled relatives; and choice for the old and disabled.

The proposals would be highly labour-intensive but would be accommodated within the £6,000 million budget for jobs which would put a million people back to work, including 100,000 in implementing the five-point plan.

Labour would repeal the Fowler Social Security Act which undermined the State Earnings-Related Pension Scheme and would sweep away the pitifully fragmentary severe weather payments scheme.

Mr John Major, Minister for Social Security, moved a Government amendment which said that Government policies had covered all impose his own solution. "It remains his poodle, but it is a dog which cannot even bark."

Putting the word "interim" into the Bill only reminded the House of the Government's bad promise that the Bill, the committee and the powers given to the Secretary of State would be replaced by legislation which

Programme of priorities

standing charges on gas, electricity and telephones, and raise heating allowances.

Most people, given the choice, would prefer financial aid for pensioners and the health service to a reduction in income tax.

A new and caring approach was needed and this should be backed up by legislation. The Alliance would provide that caring approach.

Mrs Margaret Beckett, an Opposition spokesman on health and social security, said that retirement ought to be a time of opportunity. If the elderly were to be able to take those opportunities and exercise them to the full, they would need assistance and support.

Mr Nicholas Lyell, Under-Secretary of State for Health and Social Security, said that living standards for pensioners had risen under this Government by more than 18 per cent in real terms. "They have risen twice as fast for pensioners as for the population as a whole and they have risen more than four times faster than the pitiful rate achieved by the previous Labour Government."

The Opposition motion was rejected by 273 votes to 199 - Government majority, 74.

Education about the treatment of elderly people was not a major

Requirement in medical schools

but should be, Mr Frank Dobson, Opposition spokesman on health care and services for the elderly.

He was moving a motion deploring the failure of the Government to make available sufficient resources to enable the health service and local councils to provide the elderly with the services they needed.

Under this Government, he said, living standards of elderly people had not kept pace with those of the rest of the population.

Mr Antony Newton, Minister for Health, moved an amendment congratulating the Government on its steps to facilitate independence of elderly people.

He said that more than 40 per cent of expenditure on hospital and community health services went on people aged over 65.

Mr Simon Hughes (Southwark and Bermondsey, L) said that elderly did not take account of demand caused by their growing number.

The Opposition motion was rejected by 252 votes to 189 - Government majority, 66 and agreed to.

APR 11 1987

Crucial vote supports call for legislation laying down guidelines prescribed by bishops

Synod paves way for ordination of women priests

Reports by Alan Wood, John Winder and Peter Mulligan

Sweeping aside all manoeuvres designed to delay or make a controversial issue even more difficult, the General Synod of the Church of England yesterday put itself on route to the ordination of women priests.

It approved the unanimous report from its House of Bishops on the necessary procedures and legislation to introduce women priests into the Church of England under a system which will afford compensation for those clergy who felt that they could not live with this historic change. Any such legislation will lay down guidelines set out by the bishops. The crucial vote came on a motion before Synod from the Archbishop of Canterbury, Dr Robert Runcie, calling on the Standing Committee of Synod to bring forward legislation as suggested by the bishops and that the House of Bishops should prepare the necessary code of practice.

● A little early to take the tarpaulins off the lifeboats ●

Voting in the three houses was: Bishops for 32, against eight; Clergy for 135, against 70; Laity for 150 against 67. There were two absences.

Yesterday's move forward is not the end of the story. As Dr Runcie explained, the actual decision to ordain women has to be taken when a draft measure is before Synod for approval and the earliest that will come is February 1988. It then has to go to all the dioceses before returning to Synod. Final approval will need a two-thirds majority in each house.

Dr Runcie said that the most optimistic estimate for this debate would be July 1991. Even then there would have to be passage through Parliament and Royal Assent. The earliest possible date for the actual ordination of women would be July 1992 and it could even take two years longer.

Referring to reports that many people would be leaving the Church of England over this issue, he said he felt it would be a little early to be taking the tarpaulins off the lifeboats.

In a dramatic intervention the Bishop of London Dr Graham Leonard denied that he would be leading any breakaway church. What he had said was that if this went through he was one of those who could not accept it as permanent change.

There would be other ways in which he could continue his existence within the universal Church. That would be an inevitable consequence of what would happen if the procedure being proposed went through.

The Archbishop of Canterbury, opening the debate, said that in 1984 he had felt it right to vote against proceeding to legislate on the question, but Synod had decided otherwise. He hoped to be acquitted of dogmatic haste or inconsistency in his own approach, and was sorry that the Bishops' report had been the occasion of what he could only call premature panic. (Applause).

The Bishops were unanimous that if Synod wished to ordain women to the priesthood, the way set out in the report was the way it should be done. In the unlikely event of unanimous acceptance of the report, Synod would still not have taken the decision to ordain women to the priesthood.

Skirting round the problem

By Alan Franks

There was something in the spectacle of the young girls filing past Church House in Westminster yesterday morning which seemed like an augury for what was about to take place within that most topical of buildings.

Not that these girls were about to enter the priesthood. On the contrary, these were secular preachers, with privileged looks, more suited to the coming-out party than the cloth. Nonetheless they were sixth formers at Westminster School, walking from the science block back into Little Dean's Yard, and, as such, female parvenues in an institution which, like the Church of England, had conducted an all-male regime for more than 400 years of its life.

Inside Church House itself, the assembly hall was fuller than it had been all week, the reason of course being that members of the General Synod of the Church of England were debating the rights of women to do the episcopal equivalent of the Westminster girls. Some would put it more simply than that. They were merely demanding the right to wear mens' skirts.

"The actual decision to ordain women to the priesthood will only have been taken when a draft Measure and Canon is given final approval."

The debate was still about what should or should not be in legislation which Synod had already asked for. It was not yet that women should or should not actually be ordained to the priesthood.

Opponents of that would, he hoped, gain some comfort from the careful listing in the report of the theological issues which remained unresolved. The bishops intended to continue work on the theological issues, and a working party had begun that.

"I for one do not intend to preside over the abolition of episcopacy and the parochial system as the Church of England has known it from the time of my predecessor, Archbishop Theodore of Tarsus," the Archbishop said.

"Ecumenically it would be more disastrous to jeopardize the episcopal nature of the Church of England than to move towards the ordination of women to the priesthood. I do not want the Church of England to slide into a kind of episcopal congregationalism. This would certainly be to betray our catholic and Anglican heritage."

The bishops had never said that those with serious objections to the ordination of women must get out, but recognized that some might feel in conscience obliged to sever communion with the Church of England, although the majority denied that that was justified.

It was not true that there would be no room for bishops who preferred not to ordain women. A diocese could ask for a bishop who would not ordain women to the priesthood and the House of Bishops had recommended that a bishop should respect the mind of his diocese on the matter, as expressed in diocesan synod.

"I believe we should now move to test the mind of the Church. This can only be done against actual legislation. This is why I shall be voting in favour of the motions today."

They owed it to women who asked for their vocation to be tested; to the rest of the

Anglican Communion and to the Roman Catholic and Orthodox Churches; to take the decision on grounds of catholic order, not on the basis of a change in the character of priesthood, but as an expansion of eligibility to the priesthood.

Sister Carol, Community of the Holy Name, Malvern Link, Canterbury diocese, suggested that it might be more to the point to query whether the presence of Christ was most appropriately or best represented by a male priesthood or whether they were called forward to a richer and more human priesthood.

The Bishop of London (Dr Graham Leonard) said that the bishops' report had been frank and honest. That was why he had signed it. It made clear the consequences of the proposal.

In the first day or so after its publication, reports had made no reference to what it had said about those unable, in conscience, to continue in the Church if women were ordained as priests. It was unfair to say that those against the proposal had talked about

coming out of the Church. What had been said had been said as a response to what the report had said.

If the proposed legislation was passed, they would all have to accept that it was right to ordain women. It would not simply be an idea they could think about. It involved change in the structure of the Church.

The Archbishop of York (Dr John Habgood) emphasized the importance of holding together theological and practical questions. Theology had to include reflection of what God seemed to have been doing for the past 100 years and part of that might have been to give women a greater sense of their human worth and proper place in society.

The honest answer to the question how far were they likely to get in answering theological questions in what had first been thought of as a mainly practical report, was not far. Supposing that the reason was that the questions could not have simple unambiguous answers, did not that offer the possibility of a new meeting point between those who differed? He suggested that that mutual ignorance offered Synod a way forward.

Mrs Petra Clarke, London, said she wished to see the ordination of women as soon as possible. She hoped the report would enable legislation on the main issue to move forward rapidly.

A time limit before the implementation of legislation would enable those who did not support it to find peace and healing through personal solutions.

The Very Rev David Edwards, Provost of Southwark, said that the overwhelming majority was likely to think it right to go ahead, if necessary after a delay to get more agreement, unless better arguments against this step were produced.

Mr John Gummer, St Edmundsbury and Ipswich, said he had been asked last week what would happen if the Church of England decided to ordain women.

"I had to answer it would no longer be the Church into which I was born, which I love and in which I pray I shall die. I could answer nothing else because nothing else would have been true. It is not a threat."

"I am agnostic on the question of the ordination of women. What a glory that I can be in the same church as those who hold the most extreme evangelical views or even those who hold the most liberal views."

"What sadness, if we decided as an organization ourselves that that breadth could no longer exist."

"How do we know that this, the ninety-fifth Archbishop of York, is right and the 94 who preceded him were wrong?"

"The Church of England by its nature cannot decide by itself, unassociated with the whole of the rest of the Catholic Church, that he is right and the whole of traditional history is wrong."

Canon Dr G V Bennett, Canterbury, said he understood the arguments for the ordination of women. It might turn out to be a legitimate development but that was not its status at the moment.

Anglicanism was based on scripture and this had been interpreted in the continuous belief and function of the Church. It had resisted sternly any innovation which divided and which could not be established by consent.

Name in Malvern Link, Worcestershire, to say: "I am asked to walk tall in society and walk small in the church," and an audible buzz of approval travelled around the walls.

Admittedly it never quite reached the pitch of 1975 when the spirited figure of Una M Kroll, now a deaconess and member of the Synod, called from the public gallery: "We asked for bread and you gave us stone," and had to be placated by Dame Christian Howard.

Eating sandwiches downstairs before the afternoon session were Caroline Davis and Margaret Orr-Deas, joint executive secretaries of the eight-year-old Movement for the Ordination of Women.

"We will never have a whole ministry until it values the skills of both men and women," said the first.

"This is not a women's movement," said the second, "but a movement of the spirit... I don't know whether you are aware of this, but there is an organization called Women Against the Ordination of Women. We call it Wow".



Dr Robert Runcie, speaking during yesterday's debate on the ordination of women priests, was listened to by the Bishop of London, Dr Graham Leonard, and Debra Bell, an Episcopalian priest from Florida (Photograph: Stephen Markeson)

Deaconess Una M Kroll, Chichester, said women asking for ordination were not about the business of changing the nature of the church.

"I hold myself to be as orthodox, traditional and catholic as Mr Gummer and the Bishop of London."

After Dr Runcie had formally moved that the standard committee of Synod

should bring forward legislation for the ordination of women to the priesthood, in accordance with the guidelines in the bishops' report, and that the House of Bishops should begin to prepare the envisaged code of practice, Mr Oswald Clark (Southwark) spoke to his amendment inviting the bishops to give Synod "a more fully considered

opinion" before legislation was brought forward.

He indicated that assuming the worst and that legislation on the ordination of women came forward, he had no intention of "going anywhere". But there was no way that he would attend any occasion of the Church of England in which a woman functioned as a priest.

Communion within the Church would be impaired. Thus they should not be tied hand and foot to the legislative suggestions of the House of Bishops.

The Rt Rev Eric Kemp, Bishop of Chichester, wanted Synod to instruct its standing committee not to introduce legislation. He feared that they



would be forced into an adversarial situation.

He said there would be no doubt that legislation would be firmly and persistently opposed. Talk about people leaving the Church, which was in any case premature, should not be allowed to obscure that fact.

There ought to be an attempt by the House of Bishops to discover what degree of consensus could be reached on this issue.

The Rt Rev William Persson, Bishop of Doncaster, said that like it or not they were in the middle of the decision to legislate and they owed it to themselves and those who wanted the matter to be tested to go on to the stage of testing it.

The Synod spent the afternoon rejecting a series of

● An issue akin to the annual wage demand ●

amendments designed to delay ordination. Dr Runcie, resisting the calls for further thought, felt that the majority of bishops who had unanimously backed the report before everyone would wish to see legislation prepared.

The Rt Rev Hugh Montefiore, Bishop of Birmingham, in a farewell speech to Synod, urged that all these delaying manoeuvres should be rejected. Amid loud laughter he likened the issue of the ordination of women to the annual wage demand.

The amendment by the Bishop of Chichester calling for "further reflections" fell by 300 votes to 163.

Later, an attempt by Canon Brian Brindley (Oxford) to take the issue further to embrace women bishops was even more heavily rejected.

A further move designed to ensure that all the necessary legislative provisions would be in one Bill fell by a vote of all three houses - the bishops by 37 votes to 5, clergy by 129 votes to 76 and laity by 152 votes to 60.



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T 23/2

Tories are party of the community, says Hurd

By Peter Evans, Home Affairs Correspondent

The Conservative Party was warned last night by Mr Douglas Hurd, Home Secretary, against being identified with greed and materialism.

In a speech obviously designed to influence the party's election strategy, he told the annual dinner of the Bow Group in London: "We must hammer home the message that conservatism is not the creed of the individual solely interested in his own bank balance."

"At its best it is the creed of the active citizen who works with his time and his money for the general good."

The answer to the collectivists was not that the emphasis of policy should simply be on the accumulation of individual riches.

Saying that Tories believed in the definition of the citizen as an active good neighbour, Mr Hurd cited three examples of the idea in action:

- The growth of the neighbourhood watch schemes, 18,000 today compared with only a few five years ago.
- Victim support schemes, now given money to expand their work.
- The unemployed at work on crime prevention.

No great bureaucracy embraced neighbourhood watch schemes. "They have sprung up, with our support and encouragement, in all shapes and sizes as a result of the community's determination to make our streets, homes

and work places less open to crime."

The same motive force was to be seen in the work of victim support schemes. No government department, no statutory scheme, could do the job nearly so well.

"The active citizen is at work as good neighbour, once again with our strong encouragement," Mr Hurd said.

The voluntary sector was making a crucial contribution to crime prevention. In Merthyr Tydfil, the National Association for the Care and Resettlement of Offenders ran a range of small schemes, through the Community Programme, by which unemployed people helped to keep the community safer from crime and to improve the housing estates in which they lived.

"Our strength is that such small schemes work, whereas the evidence of our cities shows how the giant schemes often flounder and fail. It was the grand designs which wished the architectural disasters and bleak and brutalising estates upon us: human needs were overlooked, the individual dimension was smothered by collectivist zeal."

The role of the State was in some spheres essential in ensuring decent standards of education and health for all people, for example. But in the past politicians encouraged a dependence on the State way beyond its capacity to deliver.

Currie is recruit to feminist cause

By Nicholas Wood

Mrs Edwina Currie says she has become more sympathetic to the feminist movement since being given ministerial responsibility for women's health last autumn.

She counts herself as being drawn towards a broad movement of women who in middle age are rethinking their earlier rejection of feminist causes and arguments.

In an interview in the latest edition of *Marxism Today*, Mrs Currie says her attitudes have shifted since meeting women struggling against ill health or working flat out as nurses to help the sick.

She also gives an insight into the tactics she employs at Westminster and in Whitehall to achieve her ends, saying she likes working with men but is not above teasing or flattering them.

Mrs Currie, junior health minister at the Department of Health and Social Security, says of feminism: "Something's happening that I'm now dimly becoming aware of."

"There seems to be a broad movement of people who have listened to the feminists for years, and rejected them all out of hand, but now find themselves in middle age, questioning why it's assumed they can't do these things."

Mrs Currie added: "I like working with men. I like trying to figure out how to get my own way."

"And if that means teasing them, or flattering them, I don't give a damn."

"It's often a very calculating and manipulative way of going about things, but I've always done that. When I was in an overbearing world of men, to an almost alarming degree."



David Whitefoot, aged 17, who was put on probation for riding a motorcycle without insurance, a licence, tax or MoT certificate, riding his bike over the National Motor Cycle Centre course in Birmingham. He is one of a number of youngsters who have been sent on a Manpower Services Commission training course by probation officers after being convicted of serious traffic offences. They learn to handle their machines properly and carry out essential maintenance. Motorcycle policemen are among the instructors and at the end of the course, which includes a tough obstacle circuit, the young bikers can take their motorcycle test. (Photograph: Philip Dunn)

Anderton challenge on prosecution

A private prosecution which accuses Mr James Anderton, the Chief Constable of Greater Manchester, of conspiracy to pervert the course of justice was challenged yesterday in the High Court in London.

The action was said to be a device to hinder investigations into the activities of Kevin Taylor, the businessman at the centre of the John Stalker affair.

Mr Andrew Collins, QC, for Mr Anderton, said the action by Mr Taylor's wife, Beryl, was an attempt to embarrass police investigating substantial fraud allegations.

He is asking Lord Justice May, sitting with Mr Justice Nolan, to quash three summonses granted by Bury magistrates last October against Mr Anderton and two other officers.

Mr Collins said that the way the summonses had been obtained were an abuse of the court as the real purpose was to secure documents used by police to obtain a search warrant against Mr Taylor.

It was a prosecution brought for an ulterior purpose with no evidence to support it. The magistrate had been "misled" by the failure to properly put before him all the relevant information.

If the magistrate had been told of the investigation into allegations of fraud against Mr Taylor in relation to the Co-operative Bank, it was inconceivable the summonses would have been issued.

The allegations brought by Rangelark, a company owned by the Taylors, appeared to rely on allegations of improper information given when police obtained the search warrant.

In what he described as an unusual application in exceptional circumstances, Mr Collins said that the essential ingredients of offences said to have been committed by the

officers were not put before the magistrate.

They had failed to consider whether the summonses were vexatious and should either have given the officers a chance to be heard or adjourned the case.

Mr Taylor claims to have brought the action in an attempt to clear his name and find out why he was still being investigated after Mr Stalker was released.

The action brought by Mr Anderton, Det Insp Anthony Stephenson, and Chief Supt Peter Topping, is expected to last two days.

Woman in court fight calls off abortion

The student at the centre of the High Court abortion battle has cancelled her appointment at an Oxford hospital.

The woman aged 21, was booked in for an abortion at the John Radcliffe Hospital yesterday. She is staying with friends in the North while she considers whether to go ahead with the operation.

Her solicitor, Mr David Greene, said yesterday that her decision would remain secret.

Last Tuesday, her former boyfriend aged 23, lost a legal battle to prevent the abortion taking place, but still wants her to have the baby.

The hospital said yesterday: "There is no operation taking place today. What the patient does now is up to her and her medical advisers."

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Kidnap man's jail plea fails

A man jailed for life after a notorious 1970 kidnapping and murder case failed yesterday in a High Court claim that he had been denied natural justice at an internal prison hearing.

Arthur Hosen, aged 50, who was jailed with his brother, Nizam, for the kidnapping and murder of a newspaper director's wife, had sought a judicial review of a decision that he breached rules at Long Lartin prison, Evesham, Worcestershire.

Man accused of PC's death

An unemployed man was accused yesterday of the murder of Police Constable Anthony Woodward, aged 33, who was found dead from shotgun wounds near his farmhouse home at Common Bank, Chorley, Lancashire, on Wednesday.

Mr Clifford Lees, aged 24, of Mendip Road, Clayton-le-Woods, Lancashire, was remanded in custody until next Friday by Leyland magistrates.

Pension cut in arms protest

The Inland Revenue yesterday won its five-year case against a man who refused to pay income tax in protest at government spending on arms.

Mr Arthur Windsor, aged 69, of Brimwick Square, Gloucester, will have £15 taken out of his local government pension every month after an attachment of earnings order was granted by a registrar at Gloucester County Court.

Farm machine traps worker

A farmworker was in a serious condition at the Princess Margaret Hospital in Swindon, Wiltshire, last night after being trapped by the legs in a seed attachment fitted to a tractor.

Firemen, using heavy cutting gear, took two hours to release Simon Madge.

Sad reign

Tara Sanders, aged 17, the reigning Miss Gloucester of Deans Way, Gloucester, was fined £140 by magistrates at Cheltenham yesterday for stealing a councillor's purse at a civic Christmas party for deprived children and then attempting to buy a £55 gold ring with an Access card she found in the purse.

Fumes alert

A fireman needed medical treatment and part of the M53 at Ellesmere Port, Cheshire, was sealed off yesterday after a tanker spilled part of its load of ethylene di-bromide, giving off highly toxic fumes.

Grants cut for two orchestras

By Gavin Bell
Arts Correspondent

The Arts Council has reduced its grants to two of London's four main orchestras, and said future funding would be geared towards more imaginative programming.

The biggest cut of £58,000 was for the Philharmonia, which recently rejected a takeover attempt by the London Philharmonic. The Philharmonia was accorded the biggest increase of £42,000.

The council said the grants reflected the number of concerts, and were not influenced by the merger proposals.

Mr Luke Rittner, the council's secretary-general, said the council might encourage a merger only if there was a joint approach by the orchestras concerned.

Meanwhile it wished to encourage the development of new music, and future funding would be determined partly by the orchestras' ability to support this objective.

Mr Christopher Bishop, managing director of the Philharmonia, said he was not disheartened by the reduced grant for the 1987-88 season.

"We have scheduled fewer concerts. Our subsidy represents the highest per concert, which is indicative of our council's view of our performances."

The Philharmonia received £427,000, and the Philharmonic £448,000.

The London Symphony Orchestra was given £438,000, an increase of £18,000, and the Royal Philharmonic received £479,000, about £7,000 less than this year.

Fresh fish is dearer but still good value

There are good supplies of fresh fish again this week. Prices are up a few pence a pound on all varieties except cod. Sprats are scarce, as it is near the end of their season, and there are no mackerels.

Lemon sole is excellent quality (at about £4.60 a lb) needs to be ready for cooking, as very fresh fish can be what is known as "still alive", with a tough, rubbery texture.

It is best to wait until the fish is pliant and relaxed to get the best results. From Scotland and British, excellent scallops, dredged or hand-picked by divers, are 40p each.

Also available this weekend are squid and octopus at about £1.90 a lb, sea bream from France at £2.50, and jobpriz, similar to sea bass, at £2.90 a lb. Best buys are farmed salmon, down to £2.50 a lb, and cod fillets, £1.90 a lb.

All cuts of home-produced lamb are cheaper. Even in the South-east, the average price of loin chops is down 8p to £2.16 a lb and best end chops are down 6p to £1.80 a lb. New Zealand leg of lamb ranges from £1.38-£1.66 a lb and shoulder from 74p-98p a lb. Topside, silverside and forefoot of beef are fractionally

more expensive. Leg of pork is down slightly, probably because of the many specials on offer.

Oranges from Spain, Morocco, Israel and Greece come in many sizes. From Sicily, Ruby Reds, more commonly called blood oranges, are in peak supply and very juicy at only 6p-9p each.

Grapefruit, at 10p-25p each, are plentiful. Stock up on fresh lemons, at 8p-20p, each for Shrove Tuesday. Pineapples are cheaper at between 69p-£1.50 each. Early forced rhubarb, at 45p-60p a lb, plums, at 50p-90p a lb, and avocados are all good buys.

Leeks, at 20p-40p a lb, are widely available. Cauliflowers, at 60p-£1 each, are still expensive, but cabbage at 15p-20p a lb, mushrooms and home-grown potatoes are worth-while. Cauliflowers are down to 60p-85p each, with imported iceberg lettuce at 60p-£1 each. Meat: best beef, Tesco: £1.59 a lb; beef liver, 69p a lb. Asda: fresh or frozen leg of pork, 89p a lb; whole fresh chops, up to 3lb 15oz, 69p a lb. Presto: boneless brisket of beef, £1.32 a lb; pork spare-rib chops, 99p a lb. Dewiars: 4lb pork chop packs, £4.80.

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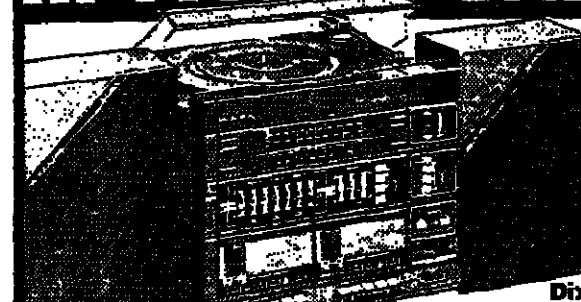
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Tower Commission: The security process did not fail, it was ignored

Chronicle of White House in chaos

From Michael Binyon, Christopher Thomas and Mohsin Ali, Washington

The Tower Commission appointed by President Reagan to investigate the National Security Council in the wake of the Iran arms scandal has heavily criticized the performance of Mr Donald Regan, the White House Chief of Staff, who, it says, must bear primary responsibility for the chaos that ensued.

The following are extracts from the report. Introduction: The NSC staff rather than the CIA seemed to be running the operation. The President appeared to be unaware of key elements of the operation. It is important to emphasize that the President is responsible for the national security policy of the United States. In the development and execution of that policy, the President is the decision-maker.

Our review validates the current National Security Council system. That system has been utilized by different presidents in very different ways. The problems we examined in the case of Iran-Contragate caused us deep concern. But their solution does not lie in revamping the National Security Council system.

Arms transfers to Iran, diversion, and support for the Contras: The President said he had no knowledge of the diversion of money to the Contras prior to his conversation with Attorney-General Meese on November 25, 1986. No evidence has come to light to suggest otherwise. The President told the board on January 26 that he did not know that the NSC staff was engaged in helping the Contras.

The board is aware of no evidence to suggest that the President was aware of Lt-Col North's activities.

Failure of responsibility: The NSC system will not work unless the President makes it work. After all, this system was created to serve the President of the United States in ways of his choosing. By his actions, by his leadership, the President therefore determines the quality of its performance.

By his own account, President Reagan was deeply committed to securing the release of the hostages. It was this intense compassion for the hostages that appeared to motivate his steadfast support of the Iran initiative, even in the face of opposition from his Secretaries of State and Defense.

The President did not seem to be aware of the way in which the operation was implemented and the full consequences of US participation. The President's expressed concern for the safety of both the hostages and the Iranians who could have been at risk may have been conveyed in a manner so as to inhibit the full functioning of the system.

With such a complex, high-risk operation and so much at stake, the President should have ensured that the NSC system did not fail him. He did not force his policy to undergo the most critical review of which the NSC participants and the process were capable. At no time did he insist upon accountability and performance review.

Had the President chosen to drive the NSC system, the outcome could well have been different. As it was, the most powerful features of the NSC system — providing comprehensive analysis, alternatives and follow-up — were not utilized.

The President's priority in the Iran initiative was the release of US hostages. But setting priorities is not enough where it comes to sensitive and risky initiatives that directly affect US national security. He must ensure that the content and tactics of an initiative match his priorities and objectives. He must insist upon accountability. For it is the President who must take responsibility for the NSC system and deal with the consequences.

President Reagan's personal management style places an especially heavy responsibility on his key advisers. Knowing his style, they should have been particularly mindful of the need for special attention to the manner in which this arms sale initiative developed.

and proceeded. On this score, neither the National Security Adviser nor the other NSC principals deserve high marks. The principal subordinates to the President must not be deterred from urging the President not to proceed on a highly questionable course of action even in the face of his strong conviction to the contrary. In the case of the Iran initiative, the NSC process did not fail, it simply was largely ignored.

None of the principals called for a serious vetting of the initiative by even a restricted group of disinterested individuals. The intelligence questions do not appear to have been raised, and legal considerations, while raised, were not pressed. No one seemed to have complained about the informality of the process. No-one called for a thorough re-examination once the initiative did not meet expectations or the manner of execution changed.

Mr Regan also shares in this responsibility. More than almost any Chief of Staff of recent memory he asserted personal control over the White House staff and sought to extend this control to the National Security Adviser. He was personally active in national security affairs and attended almost all of the relevant meetings regarding the Iran initiative. He, as much as anyone, should have insisted that an orderly process be observed. In addition he especially should have ensured that plans were made for handling any public disclosure of the initiative. He must bear primary responsibility for the chaos that descended upon the White House when such disclosure did occur.

Mr McFarlane appeared caught between a President who supported the initiative and the Cabinet officers who strongly opposed it. While he made efforts to keep these Cabinet officers informed, the board heard complaints from some that he was not always successful. Vice-Admiral Poindexter on several occasions apparently sought to exclude NSC principals other than the President from knowledge of the initiative. Indeed, on one or more occasions Shultz may have been actively misled by Poindexter.

Poindexter also failed grievously on the matter of Contra diversion.

Poindexter knew that a diversion occurred, yet he did not take the steps that were required given the gravity of that prospect. He apparently failed to appreciate or ignore the serious legal and political risks presented. His clear obligation was either to investigate the matter or take it to the President — or both. He did neither.

The CIA director, Mr William Casey, shared a similar responsibility. Evidence suggests that he received information about the possible diversion of funds to the Contras almost a month before the story broke. He, too, did not move promptly to raise the matter with the President. Yet his responsibility to do so was clear. The NSC principals other than the President may be somewhat excused.

Shultz and Weinberger in particular distanced themselves from the march of events. Shultz specifically requested to be informed only as necessary to perform his job. Weinberger had access through intelligence to details about the operation. Their obligation was to give the President their full support and continued advice with respect to the programme or, if they could not in conscience do that, to so inform the President. Instead, they simply distanced themselves from the programme.

Casey should have taken the



Mr Donald Regan

● He must bear primary responsibility for the chaos that descended upon the White House ●



Lt-Col Oliver North

● Indications that he was involved in an effort, over time, to conceal or withhold important information ●

lead by vetting the assumptions presented to the Israelis on which the programme was based and in pressing for an early examination of the reliance upon Mr Ghorbanifar and the second channel as intermediaries involved in the operation. Casey should have taken the lead in keeping the question of congressional notification active.

Finally, Casey and Weinberger should have taken it upon themselves to assess the effect of the transfer of arms and intelligence to Iran on the Iran-Iraq military balance, and to transmit that information to the President.

The role of the Israelis: It is clear that Israel had its own interests, some in direct conflict with those of the United States, in having the United States pursue the initiative.

For this reason, it had an incentive to keep the initiative alive. US decision-makers made their own decisions and must bear responsibility for the consequences.

Aftermath — the efforts to tell the story: Mr McFarlane described for the board the process used by the NSC staff to create a chronology that obscured essential facts. Mr McFarlane contributed to the creation of this chronology

which did not, he said, present "a full and completely accurate account" of the events and left ambiguous the President's role. This was, according to Mr McFarlane, done to distance the President from the timing and nature of the President's authorization.

He wrote a memorandum on November 18, which tried to, in his own words, "give the President's motives". This version was incorporated into the chronology. He knew the account was "misleading, at least, and wrong at worst". He did provide the Attorney-General an accurate account of the President's role.

The board found considerable reason to question the actions of Lt-Col North in the aftermath of the disclosure. The board has no evidence to either confirm or refute that North destroyed documents on the initiative in an effort to conceal facts from threatened investigations. The board found indications that North was involved in an effort, over time, to conceal or withhold important information. The files of North contained much of the historical documentation that the board used to construct its narrative. Moreover, North was the primary US government official involved in the details of the

operation. The chronology he produced has many inaccuracies.

These "histories" were to be the basis of the "full" story of the Iran initiative. These inaccuracies lend some evidence to the proposition that North, either on his own or at the behest of others, actively sought to conceal important information.

Specific recommendations: We recommend that no substantive change be made in the provisions of the National Security Act dealing with the structure and operation of the NSC system.

We urge the Congress not to require Senate confirmation of the National Security Adviser.

Covert action: There is a need to limit, sometimes severely, the number of individuals involved. The lives of many people may be at stake, as was the case in the attempt to rescue the hostages in Tehran. Premature disclosure might kill the idea in embryo as could have been the case in the opening of relations with China. In such cases, there is a tendency to limit those involved to a small number of top officials. This practice tends to limit severely the expertise brought to bear on the problem and should be used very sparingly indeed.

The obsession with secrecy and preoccupation with leaks threaten to paralyze the Government in its handling of covert operations. The selective leak has become a principal means of waging bureaucratic warfare. Opponents of an operation leak it with a leak; supporters seek to build support through the same means. We have witnessed over the past years a

significant deterioration in the integrity of process.

We recommend that each administration formulate precise procedures for restricted consideration of covert actions and that, once formulated, those procedures be strictly adhered to.

We recommend that Congress consider replacing the existing intelligence committees of the respective houses with a new joint committee to oversee the intelligence community, patterned after the Joint Committee on Atomic Energy that existed until the mid-1970s.

We recommend against having implementation and policy oversight dominated by intermediaries. We do not recommend barring limited use of private individuals to assist in US diplomatic initiatives or in covert activities. We caution against use of such people except in very limited ways and under close observation and supervision.

Epilogue: If but one of the major policy mistakes we examined had been avoided, the nation's history would bear one less scar, one less embarrassment, one less opportunity for opponents to reverse the principles this nation seeks to preserve and advance in the world. As a collection, these recommendations are offered to those who will find themselves in situations similar to the ones we reviewed: under stress, with high stakes, given little time, using incomplete information, and troubled by premature disclosure. In such a state, modest improvements may yield surprising gains. This is our hope.

Leading article, page 13



Vice-Admiral John Poindexter

● Apparently failed to appreciate or ignored the serious legal and political risks presented ●



Mr William Casey

● He did not move promptly to raise the matter with the President... his responsibility to do so was clear ●

WORLD-SUMMARY

Death sentence on baronet's killer

Harare — Zimbabwe's High Court yesterday passed the death sentence on a 26-year-old former convict, John Marichi, for the murder of a British baronet, Sir Andrew Imbert-Terry, in Harare 17 months ago (Jan Raath writes).

Sir Andrew, aged 39, a former Life Guards captain, was found dead with a single gunshot wound in the head on September 4, 1985, in his home in the suburb of Borrowdale. Mr Justice Wilson Sandura, the Judge President, found Marichi guilty. Marichi was arrested within a week of the killing with Sir Andrew's pistol in his possession. He has previous convictions for house breaking.

The judge found that Marichi had broken into Sir Andrew's home at about midnight, but had been surprised. Sir Andrew fired several shots at him but missed. Marichi tackled him, took the pistol and shot him in the head.

Sir Andrew, stepson of the sixth Baron of Sackville, came to Zimbabwe shortly after independence and ran a business in market gardening and lamp making.

Minister dies

Iranians relent

Oslo — Mr Kaut Frydenlund, aged 59, Norway's Minister for Foreign Affairs, who suffered a stroke at Oslo's Fornebu airport on Wednesday, died yesterday in hospital (Tony Samstag writes).

With 35 years' experience as a diplomat and Labour MP, Mr Frydenlund was considered the elder statesman of Norwegian politics. He collapsed after returning from a Nordic Council meeting in Helsinki, and was acting Prime Minister in the absence of Mrs Gro Harlem Brundtland, in Tokyo.

Obituary, Page 14

After 13 months of British demands for consular access to Mr Roger Cooper, a businessman held in Tehran's Evin Jail, he has been permitted to make his first phone call (Andrew McEwen writes).

The Foreign Office said that Mr Cooper, accused of spying, called Mr Vic Welborn, the British Consul in Tehran, to thank him for his visit to jail by the Embassy but could not discuss the case.

A spokesman added that the call in no way satisfied access demands. Britain has not been told what charges, if any, he will face.

Argentine freeze

Buenos Aires (Reuters) — President Alfonsín's Government yesterday announced a freeze on wages and prices to bring a halt to a surge in prices 20 months into an anti-inflation programme. The package of measures to cut short a sharp increase in prices over the past two months also included a 6.1 per cent devaluation of the austral as of today, a 15 per cent increase in the price of petrol and a one-off salary adjustment.

"This is, of course, an emergency measure, which only aims at deactivating the generalized indexation of prices," the Minister of the Economy, Señor Juan Vital Sourrouille, said in a speech broadcast nationwide. He said there would also be 2 per cent devaluations in May and June.

Butter for Russia

Briton on drugs trial

Brussels — The EEC last night sold 65,000 tonnes of butter to the Soviet Union at the equivalent of 7p a pound (Our Correspondent writes).

The sale, the second in two weeks, means the EEC has now got rid of one third of its 300,000-tonne target for sales to the Soviet Union this year.

All the butter has been in EEC cold stores for more than 18 months and could not be sold to consumers in Europe.

Kuala Lumpur (Reuters) — A Briton accused of having 576 grammes (20.3 ounces) of heroin will go on trial in Malaysia on Monday and faces death or life imprisonment if convicted, his lawyer said yesterday.

Mr Derrick Gregory will appear in the High Court in the northern resort island of Penang, the lawyer, Mr Rashid Rajasingham, said.

Mr Gregory, aged 37, from Richmond, Surrey, was arrested in October 1982 at Penang airport.

The Yugoslav way

Zagreb (Reuters) — A Yugoslav inventor says he has found a way to prevent Italy's Leaning Tower of Pisa from eventually toppling over.

Mr Dragomir Djurdjevic, a retired engineer in this northern Yugoslav city, said he would build a cylinder of concrete through the middle of the tower, insert weights into the face opposite the direction of tilt, and strengthen the foundations.

The concrete cylinder would make the tower more rigid without harming its appearance, he said.

Italy has invited international experts to offer solutions for saving the 150ft tower which is 15ft out of perpendicular and leans a further 0.04 of an inch each year on average.

Star Wars worries Germans

From John England Bonn

The West German Government, concerned about a possible restructuring of Mr Reagan's SDI programme to allow testing of space weapons, told two American officials yesterday that both Washington and Moscow should stick strictly to the 1972 Anti-Ballistic Missile Treaty banning deployment of ABM systems in space.

Herr Hans-Dietrich Genscher, the Foreign Minister, pressed for a "narrow" interpretation of the treaty in talks in Bonn with Mr Paul Nitze, the US special adviser on arms control, and Mr Richard Perle, Assistant Secretary for Defence. The two officials visited Bonn after talks in London as part of a tour of West European capitals to brief Nato allies on US thoughts on a broader interpretation of the treaty.

Chancellor Kohl told them on Wednesday that success in the East-West disarmament talks was at the centre of Bonn's interests. Herr Genscher emphasized this point and said there was a need for intensive and careful consultation among the allied partners on the effect any possible unilateral decision might have on the Geneva negotiations and East-West relations as a whole.

He also reminded the American officials that Mr George Shultz, the US Secretary of State, had given an undertaking at a special Nato Council meeting in October 1985, that Washington would observe the ABM Treaty in its narrow interpretation.

The officials made no statement on their talks with Herr Genscher.

Craxi seen stepping down soon

From Roger Boyes Rome

Signor Bettino Craxi is expected to step down as Prime Minister of Italy in the coming week, leaving President Cossiga to find a new leader and governing team, according to informed sources in Rome.

Signor Craxi is said to have expressed his intentions in a meeting with Signor Arnaldo Forlani, the Deputy Prime Minister, after weeks of speculation about the future of the Italian Government.

Signor Craxi has for the last 3½ years presided over a five-party coalition — only the Communists are in opposition — in the longest and most stable period since the war.

But, under a power-sharing deal with the largest party, the Christian Democrats, Signor Craxi was supposed to hand over the premiership to a Christian Democrat politician. Signor Craxi heads the Socialist Party, which commanded 11 per cent of the vote, compared to about 34 per cent controlled by the Christian Democrats.

Signor Craxi denied last week that there was an agreement to "hand over the baton" to the Christian Democrats. Indeed, the accord reached in July is partly ambiguous. By asking President Cossiga to find a new prime minister — perhaps the Christian Democrat Foreign Minister, Signor Giulio Andreotti — he has skillfully avoided brinkmanship charges.

An election now would in the informed view probably increase marginally the percentage standing of Signor Craxi's socialists and perhaps reveal a loss of popular support for the Communist opposition.

Moscow blames US as it resumes nuclear testing

From Christopher Walker Moscow

The Soviet Union yesterday exploded a nuclear device for the first time in 19 months. It then launched a propaganda offensive designed to deflect all international opprobrium for the ending of its unilateral moratorium on nuclear testing to the door of the White House.

Breaking with the tradition of secrecy which surrounded nuclear testing here before the freeze was announced in August 1985, the Kremlin called a full-scale press conference only three hours after yesterday morning's blast, at which a Soviet major-general blamed the US for having forced the Soviet Union to

resume testing in order to maintain strategic parity. "An historic chance for ending nuclear tests once and for all has been missed at this stage," Major-General Gely Bayevnin said.

"It is a matter of deep regret that the US Administration considered it possible to continue its own nuclear test programme and stage two explosions already this year, totally ignoring the wishes of the world public."

General Bayevnin, one of the new breed of highly articulate, uniformed spokesmen for the Soviet Defence Ministry, appealed to the Reagan Administration to re-think its repeated opposition to a mutual test ban treaty.

Of the explosion at Semipalatinsk in Soviet Central Asia, he said: "This situation makes it necessary for us to do what we do not want to do."

He then quoted a senior Soviet nuclear scientist as stating: "The button which controls our test ranges lies over there with the US president."

The General fielded a string of questions from Western journalists about the blast, alleging that although it would be followed by others, their frequency would be minimal. He denied that yesterday's blast represented the start of a new cycle of Soviet nuclear explosions.

Senior Western diplomats in Moscow have remained highly sceptical about the moratorium since it was announced by Mr Gorbachev as

the central plank in his disarmament programme. They claim that it was made possible only because the last recorded Soviet test on July 25, 1985, represented the end of an important series of tests which did not immediately need to be continued.

Political analysts believe that much of the recent improvement in Mr Gorbachev's standing in European public opinion is attributable to the popularity there of the nuclear test freeze.

US reaction: A State Department spokesman, in low-key remarks yesterday, made clear that what the Soviet Union did for its own nuclear testing programme was Moscow's business (Mohsin Ali writes from

Washington).

Reiterating the US position, he said: "As long as we depend on nuclear weapons for our security, we must ensure those weapons are safe, secure, reliable and effective. This demands some level of underground testing."

Meanwhile, the US has called on the Soviet Union to make progress in talks on improving nuclear test verification methods to ensure that under a testing ban there is no cheating. Soviet officials have said that Moscow was ready to resume its nuclear test moratorium if Washington stopped tests, but Reagan Administration officials have shown no interest in any such suggestion.

● Bonn condemnation: West

Germany's main opposition party expressed regret yesterday at the resumption of nuclear testing by the Soviet Union, but made clear it believed the United States was partly to blame (Reuter reports from Bonn).

The Social Democratic Party disarmament expert, Herr Horst Ehmke, said there had been no military necessity for the Soviet test. "The bad example of the US Government, which has so far stubbornly refused to join the unilateral Soviet moratorium, has resulted in what had been feared. Yet another chance to stop the arms race has been lost," Herr Ehmke said.

No statement was planned by Chancellor Kohl's Government.

● Bonn condemnation: West

Teargas used at Basque Parliament protest

Terror charge MP demands talks

From Richard Wigg
Victoria

The Basque Parliament, assembled to elect a new chief minister, yesterday put on a remarkable display of democratic self-control worthy of far older institutions. It heard out in utter silence the demand of a young MP awaiting trial for terrorism for direct negotiations with ETA, exclusively on the armed separatist organization's terms, in the name of Basque self-determination.

"A return to peace and normalcy will only be possible when the Basque people have recovered their rights; ETA must be part of the process of political negotiations because it has participated directly in the dispute," declared Señor Juan Yoldi, who was elected MP for the extreme left-wing nationalist Popular Unity Coalition and political wing of ETA while in prison in November.

For good measure, in a speech larded with insults for MPs and the 1979 statute of Guernica — the present basis of Basque home rule — Señor Yoldi said the Spanish Army must also participate in the negotiations, as Spain's Constitution provides for the armed forces being the guarantors of national unity.

"Long live the free Basque country. It is clear that victory is near," he said, ending a speech delivered half in Basque and half in Spanish and that had lasted more than an hour.

Outside the Parliament, police made baton charges and fired tear gas and rubber bullets after demonstrators had marched through the city centre chanting "Long live ETA" and thrown bottles and stones.

Only Señor José Benegas, the Basque Socialist leader, in line with the Madrid Government's vain efforts to prevent Señor Yoldi being released



Señor Juan Yoldi arriving at the Basque Parliament yesterday under police guard and on temporary release from prison.

temporarily from solitary confinement in a La Mancha top security jail to attend yesterday, walked out of the chamber immediately. Señor Yoldi started speaking and did not return until it was over.

Señor José Ardanza, the Basque Nationalist Party candidate due to be voted in before the session ended, commanding a working majority with the vote of the socialists in a new coalition government, then got up. He reasserted the model of a Basque autonomy chosen by a majority of the Basque people

in elections and without resorting to force or terrorism. The Popular Unity, with 13 MPs, was making its first appearance in the 75-seat Basque Parliament it has boycotted since it was set up in 1980, to exploit to the maximum its presentation of Señor Yoldi as chief minister.

Street demonstrations outside Parliament were organized by supporters and included relations of ETA detainees, factory workers threatened by lay-offs and secondary school children. Demonstrators ignored two

loud-bailer warnings to disperse peacefully and not seek to reach Parliament.

Señor Yoldi, aged 24, a fitter, is charged with three bomb attacks on Renault Cars in 1985, and faces more than 60 years in jail if found guilty. But he has still not been brought to trial. A Pamplona court ruled that as he has not been convicted he can enjoy all his political rights.

He appeared in Parliament yesterday in a thick pullover and flannels, having been driven direct from jail.

"Are you aware many Spaniards regard you as a terrorist?" he was asked at a press conference afterwards. "I am a political prisoner; do you regard a man exercising the right to defend his fellow citizens as a sovereign people as a terrorist?" was the confident reply.

Señor Ardanza, in a sombre speech, admitted the "tense" situation now gripping Basque society, but defended the promise of more stable government in a coalition as the best way ahead.

Food runs out for camp just hours from packed stores

From Paul Valley, Chinde, Mozambique

They have run out of food for the 34,600 refugees in Chinde. The cereal is distributed by the Mozambique Red Cross once a month. The last delivery was made on January 27. But those who were due to receive their rations of maize the next day have now been without emergency food aid for eight weeks.

It is an eight-hour boat journey to Chinde from the packed food warehouses in Quelimane, the capital of Mozambique's Zambezia province.

But at the moment there is no boat available so they must wait for the return of a coastal barge owned by the World Food Programme (WFP), which is at present delivering to other refugee settlements further up the coast. That might take in the vague time-scale of transport in this part of the world, "another week, or maybe two".

To take the food by road would be unthinkable, as the route runs through some of the most dangerous country in Zambezia, the province worst affected by the guerrilla activity of the South African-backed Mozambique National Resistance (MNR).

In spite of this the refugees in the settlements nearest to the little port of Chinde look surprisingly healthy. Such judgements are, of course, relative. There may be only a handful of cases of serious malnutrition, but 85 percent of the children are weakened by anaemia and many have parasites and malaria from the surrounding swampland.

A high proportion of them have scabies, an affliction associated with poor hygiene and there is no soap in Chinde either.

There are three camps on the isthmus formed by the sea and a huge meander in the

river. It is safe to visit them, for there is an airstrip. But aid workers can only make blank guesses about the situation in the 31 camps further off.

One centre, No 27 at Matilde, has received nothing since November, when refugees rioted after the Red Cross delivery was misappropriated, not by guerrillas, but by the hungry and poorly-supplied troops of the Marxist Frelimo Government.

Today, the warehouse at Chinde is almost empty. There is a little high-protein soup from the WFP, which is being distributed daily to accessible needy cases. There is some milk powder, but this is of no use without the oil and sugar with which it needs to be mixed to make high-energy food for the malnourished children.

The only items in plenty, behind the old mahogany counters, are ancient, leather-bound ledgers, nibbled by rodents and decaying, which monitor the flow of goods into what was once a sugar warehouse in colonial times.

It is not just food and soap which is in short supply. The local hospital is clean and tidy but the shelves of its pharmacy are bare. Its well has filled with sand and Chinde lacks the equipment to dig a new one. This place, and the paramedics here, offer the only medical care for a local population of over 40,000.

"The situation is getting worse," Señor Ricardo Almeida, a delegate from the League of Red Cross Societies, said. "There is no food. There is no fuel. There is not one single truck for distribution".

To make matters worse there has been no rain. Some 272 acres of rice, the local staple, is turning yellow in the fields. Even the local people will need food aid soon.

Ex-hostage tells of prisoner swap plan

Paris (AP) — M Gilles

Peyrolles, a Frenchman taken hostage in Lebanon in 1985 said yesterday his captors told him they were members of the Lebanese Armed Revolutionary

Factions who wanted to exchange him for a colleague imprisoned in France. M Peyrolles, who was freed after nine days in captivity, testified at the trial of Mr Georges Ibrahim Abdullah, accused of ordering other members of the group, known as "Fart", to carry out assassinations of American and Israeli diplomats in France.

M Peyrolles, director of the French cultural centre in Tripoli, Lebanon, said his captors told them they were negotiating "to liberate their comrade, who was unjustly arrested in France".

He was told the imprisoned Fart member was Abdelkader Saadi. The same name was on an Algerian passport Mr Abdullah was carrying when he was arrested in Lyons in October 1984.

£1m diamond

Sydney (Reuters) — Bridge Oil, an Australian mining company, announced the sale of a 100.2-carat gem-quality West African diamond for \$1.6 million (£1 million).

Rail doubt

Bangkok (Reuters) — A controversial proposal to rebuild part of Thailand's "Death Railway", seen in the West as a symbol of Japanese brutality in World War Two, may be scrapped because of lack of money, officials said.

Wheeled away

Hong Kong (Reuters) — A Canton man has lost his case against police after he alleged he was wrongly detained for 15 days for parking his motorcycle in the wrong place.

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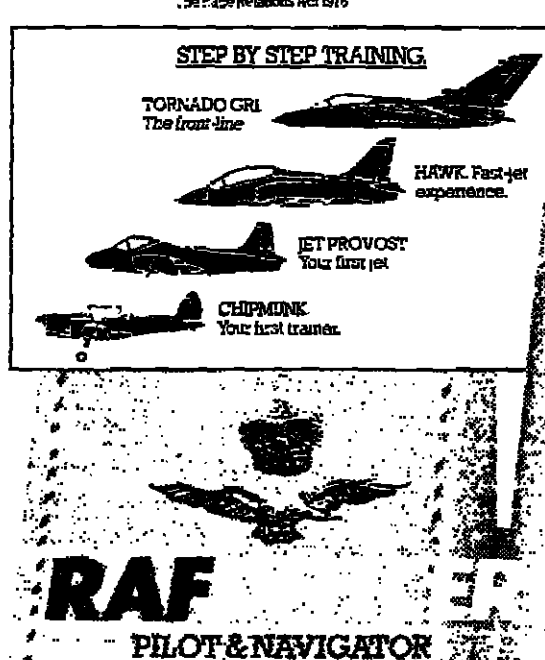
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The Armed Forces Vocational Training Scheme (AFVTS) is a Government initiative to help young people gain vocational training and employment. For more information, contact the AFVTS Helpline on 0800 562 222.

US and France fear terrorist foothold
Surinam told to avoid more involvement with Libyans

From Christopher Thomas, Washington

The United States and France have privately warned the left-wing, military dictatorship of Surinam not to become closely entangled with Libya. They are increasingly disturbed by the relationship and are exchanging intelligence information about Libyan activities in the former Dutch colony.

A senior official of the US Administration told *The Times* that a well-known Libyan terrorist had been identified as having made several trips from Tripoli to Paramaribo, the capital of Surinam. For security reasons he would not name him.

He said that a number of other suspected terrorists had also been sighted. A French source said it was clear that Colonel Gaddafi was "up to no good" in Surinam.

France is acutely concerned that the internal strife afflicting the Government of Lieutenant-Colonel Desi Bouterse might cause an even bigger rush of refugees across the border into French Guiana. More than 2,000 Surinamese have so far fled to Guiana, prompting France to send substantial numbers of extra troops to the border.

France is particularly security-conscious because of the

presence of a rocket-launching site at Kourou on the country's coast.

Both the US and France are convinced that Libya is trying to establish a base in Surinam for terrorist operations in Latin America and the Caribbean.

American officials said that Colonel Bouterse has signed a \$100 million (£65 million) trade and aid deal with Libya. Surinam says there are only 14 Libyans in the country — five diplomats — and their dependents.

Neither the US nor France possesses hard evidence that Libyan troops are in Surinam, though both countries suspect that Libyan soldiers are in the bush either as active participants in the battle against an internal insurgency, or as advisers.

Certainly, there are indications that Libyans have been active in Surinam's substantial Muslim community, donating funds and distributing literature.

France suspects that Libya is using Surinam as a base for establishing contacts with guerrilla groups from French Guiana, Martinique and Guadeloupe, two French possessions in the Caribbean. In recent years a black nationalist

movement has been active in Guadeloupe.

A senior Administration official said: "It is obvious that Libya is in Surinam. From there they could threaten US and French interests."

"We have no independent confirmation of any Libyan involvement in the internal fighting, but we have reports confirming some weapons purchases by Surinam, particularly Bell helicopters."

The insurgency is taking a grave toll on the small Surinamese economy, which relies principally on bauxite exports. Both the Netherlands and the US have ended economic aid. There have been repeated street demonstrations in Paramaribo in recent weeks because of shortages of basic goods. Five Cabinet ministers have resigned.

Colonel Bouterse has announced that his Government, using helicopters and other military equipment newly acquired from abroad, will soon launch a drive against rebels who effectively control the eastern part of the country.

The insurgency, headed by Mr Ronnie Brunswijk, a former army physical training instructor, began eight months ago.

Shamir ready to block peace conference attempt by Peres

From Ian Murray, Jerusalem

Mr Yitzhak Shamir, the Israeli Prime Minister, yesterday convened an urgent meeting of senior members of his Likud faction to be ready to counter any progress made towards setting up an international peace conference by Mr Shimon Peres, the Foreign Minister and Labour leader, during his present trip to Egypt.

Although Mr Peres said before he left on Wednesday that he did not expect to return to Israel today with an agreement for an international conference in his pocket, there are signs that he may be about to make a significant breakthrough on at least one of the outstanding difficulties to calling a conference — the question of who should represent the Palestinians.

Mr Shamir, who is firmly opposed to such a conference, said at a news conference on his return from the United

States on Wednesday that the future of the coalition Government could depend on the outcome of the Cairo talks.

In a radio interview he said: "If Peres insists that he is able to impose something on Israel without a referendum... then it is clear, to our sorrow and regret, that this is liable to lead to crisis."

Mr Peres, on the other hand, went to Cairo insisting that there were already 10 areas of agreement between Israel, Jordan, Egypt and the US on setting up a conference. This includes the principle that the conference could serve only as a support for the direct negotiations between Israel, Jordan and the Palestinians which Mr Shamir wants. The conference would have no ability to veto or impose solutions.

Three outstanding areas remain, however. Most important is the question of

Palestinian representation. Of the four countries, only Egypt has continued to insist this should be done by the Palestine Liberation Organization and the other three are firmly opposed to this.

It is reported here, however, that Abu Jihad, the deputy leader of the PLO, last week took to Egypt a list of Palestinians it is prepared to see take part in negotiations and which Israel is thought to accept.

Even with it settled, however, there is disagreement among the four on whether the Soviet Union and China, as permanent members of the Security Council, should take part in an international conference.

CAIRO: President Mubarak of Egypt and Mr Peres had "exceedingly friendly and constructive" talks lasting 1½ hours yesterday and were due to meet again today (A Correspondent writes).

Nazi-hunter to be called by defence

Jerusalem — Mr Tuvia Friedman, whose visiting card describes him as "The Hunter" and one of those Nazi-hunters who tracked down Adolf Eichmann, the last war criminal to stand trial in Israel, is to appear for the defence of Mr John Demjanjuk, who is accused of being "Ivan the Terrible", the Ukrainian executioner at Treblinka death camp (Ian Mur-

ray writes). Mr Mark O'Connor, the defence lawyer, told the court this yesterday when he cross-examined Mr Eliyahu Rosenberg, a camp survivor, about a statement he had given Mr Friedman in 1947 in which he described hearing how "Ivan" had been sleeping when prisoners burst in and "beat him to death with spades". Mr Rosenberg told the court

that he had since discovered "that man" — and he pointed at the dock — was still alive. He telephoned Mr Friedman when the Nazi-hunter held a press conference to say he had a document claiming "Ivan" was dead. He told the court he had said: "You are a liar. God will punish you... how much money did you get from O'Connor for this?" The trial was adjourned until Monday.

SPECTRUM

Recipe for space success



So irresistible is the menu of projects prepared by Britain's space supremo Roy Gibson (left), that the Cabinet economic committee, chaired by the Prime Minister, is expected to triple our civil space budget next week.

Keith Hindley looks at what's on offer

If next Thursday's Cabinet decision, as seems likely, is for a 15-year national space plan, with £1.6 billion earmarked for space projects over the next five years, Britain will be rocketed at last into the major European space league.

The choice of such a programme will just about salvage Britain's credibility in the international space community. Twenty years of dithering by successive British governments have left France firmly in charge of European space projects. During that time, Whitehall has been cool to any idea of a national space programme and far from convinced of the worth of space projects.

The change of mind is largely due to the individual style of Roy Gibson, aged 62, who since November 1985 has headed the fledgling British National Space Centre. Tall, dark and elegant, his quiet manner belies a penetrating mind. It was his report — *The British Space Plan* — that swayed the Government, and its form reflected Gibson's lifelong affection for France, and the French way of presenting such things.

"The report contains menus which give the Government clear choices depending on how much they want to do," he says. They range from "existing fare", making best possible use of current budgets, through various "tourist menus" of increasing cost, to what Gibson calls his "five star" menu, with a whole range of new projects and a proportionately higher price.

Gibson identified five key areas for investment: launch vehicles, the US space station, remote satellite sensing, space science and communications satellites. "At each stage we outlined exactly what Britain will get for its money, including any commercial potential," Gibson says. He favoured at least a 50 per cent increase but strongly recommended a much higher commitment if the UK was to retain any credibility.

The report was first submitted to the Department of Trade and Industry last July. The Government was expected to reply last September but delay followed delay. When the Cabinet discussed the plan, "no one faints, but some turned more than a little pale," Gibson says. Both the Treasury and the Cabinet Office's science advisers thought it too ambitious, and the half-dozen departments

that have handled space projects in the past objected to the proposal that the new Space Centre should now control all research funds. It may be that Mrs Thatcher's decision to increase the civil space budget has been coloured by the public knowledge that she has approved a £500 million spy satellite — Zircon — as well as a series of military communications satellites.

Whatever the reason, the new cash will strengthen Gibson's arm in promoting UK interests in the French-dominated European Space Agency (ESA), which, as its first director-general, he helped to create. It will give Britain a bigger slice of Europe's contribution to Nasa's space station and allow

CIVIL SPACE BUDGETS, 1987

	£ millions
Soviet Union	11,000
United States	8,860
China	2,200
France	710
Japan	620
West Germany	365
Italy	350
Britain	320
Canada	265
India	51

* Estimate. It is difficult to estimate the full costs of the Chinese space programme and an impossible task to fully disentangle the Soviet military and civil space budgets.

us to press harder for the adoption of British Aerospace's Hotol launcher as an ESA project. Britain's £320 million annual space budget will now rank third in Europe to France (£710 million) and West Germany (£365 million). Gibson's brief at the BNSC has been to develop a strong, coherent UK space policy. His raw material consisted of 300 officials from a hotch-pot of ministries, research councils and laboratories, plus a whole string of organizations representing industrial interests, such as British Aerospace, Marconi and Logica — an indication of just how fragmented the UK space effort had become.

In 15 months, Gibson has succeeded in generating a degree of esprit de corps. "The French are always ahead of the game," he says. "They are extremely good at presenting things in a favourable light and waiting for others to react. One of my aims is to get the BNSC out of this reactive mode and into making its own

space proposals. We are starting to do that and our profile is looking and feeling a little bit higher."

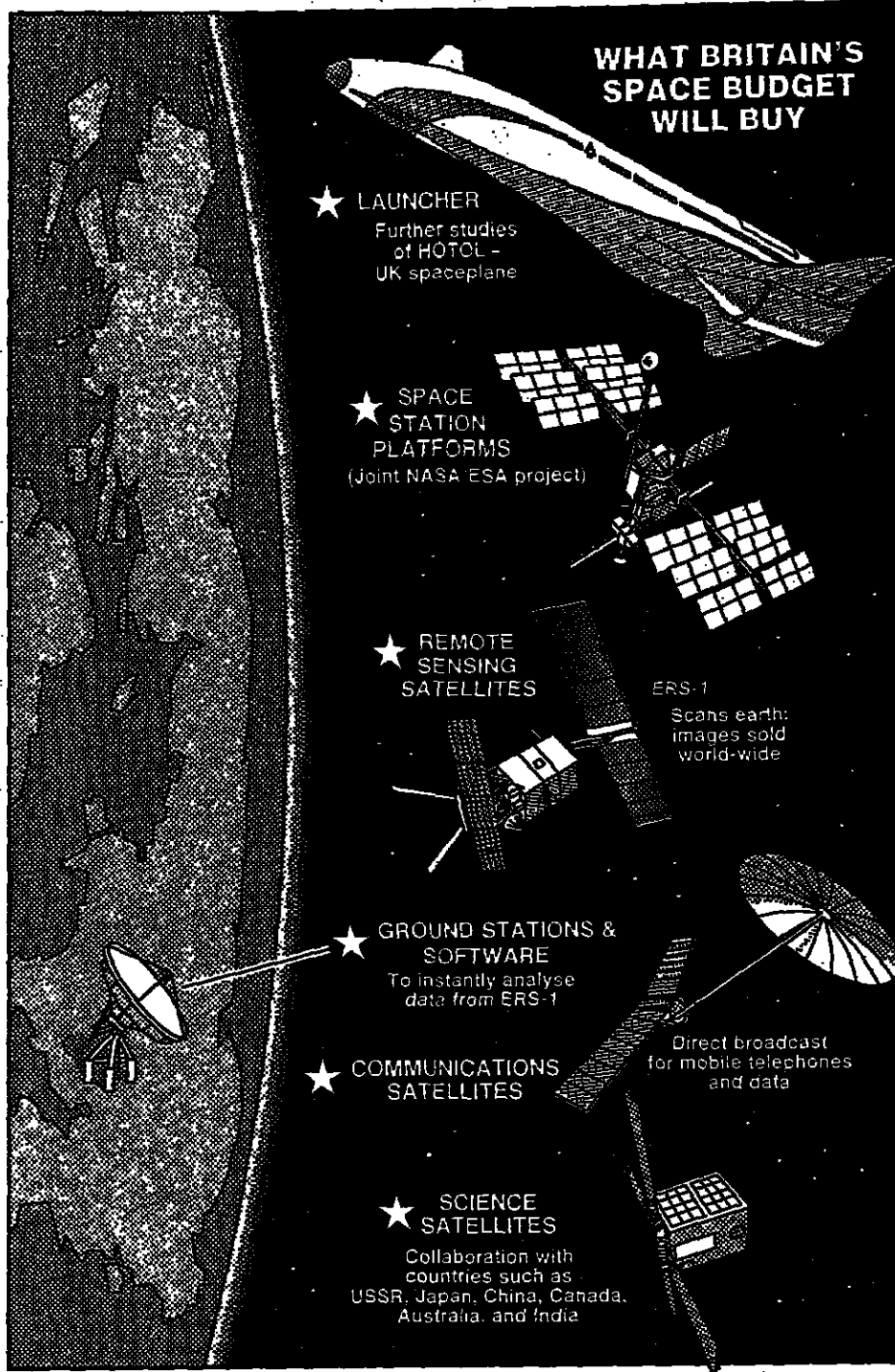
The space plan supports a further four years of research into the Hotol spaceplane at a cost of about £270 million. Developed by British Aerospace and Rolls Royce, Hotol will cut the cost of launching satellites by a staggering 80 per cent, compared with a shuttle or European Ariane rocket launch, but further work would have to be carried out as an ESA project with the cost shared amongst the 13 member nations.

The problem is that the French are pressing the ESA to adopt Hermes, a six-man mini-shuttle launched on a new conventional rocket. "Hermes and Hotol need separate examination — what each can do and how that is relevant to European needs," Gibson says. "Hermes must not be foisted on us by the French. We don't want another Ariane — when the rocket went up it was French, when it failed it was European."

Ultimately, the two will compete for funds and an ESA study of European spaceplanes proposed by Gibson has bought Britain more time to prove that Hotol's revolutionary air-breathing rocket engine really does work.

The report recommends that Britain should join in Europe's contribution to the US space station, "and that means the whole programme, not just one element of it," Gibson says. "We should concentrate on the unmanned Columbus platform in high orbit over the earth's poles, but make some contribution to the ESA manned module and another platform co-orbiting with the space station. We should also have a one-third share in the communications satellite the Columbus project will need." A 16 per cent share of this package would cost Britain £27 million a year.

Britain should also push ahead with Earth-resources remote sensing. We are already taking part in the Earth Resources Satellite, ERS-1, and should join in whatever follows it. ERS-1 is an ESA project to scan the oceans and the polar ice caps with radar and infrared sensors. Such spacecraft can provide invaluable information for agriculture, geology, land use, weather studies and many other commercial activities.



Gibson believes this interest should be backed up by the latest ground support and analysis techniques to handle the mass of data from resources satellites. "You need the money and equipment to fully exploit a sophisticated spacecraft once it is up there," he says. "We need to process data as it is received."

There is a much readier market for instant earth images than data which arrives after a week or two. In 1983, for example, the Canadian space industry sold goods and services worth more than twice the cost of its annual budget — a 100 per cent profit margin, and a lesson for Britain.

On the scientific front, the report says that Britain should not only play an active part in ESA science satellites, but should also collaborate with other countries. "To get the best out of our ESA membership, the UK must have a modest national space programme as well, using at least 20 per cent of the overall

budget," Gibson says. "And much of that could be spent on bilateral agreements. That includes countries such as the Soviet Union, the USA, Japan and China who can orbit a jointly-funded satellite using their own launchers."

Finally, Britain should build on its past success in the communications satellite field (British Aerospace is Europe's leading satellite builder) by moving into new areas. "We should develop the new technologies needed for satellite communications with and between moving vehicles," Gibson says. "We believe this will prove a real growth area and we need to get in on the ground floor."

Manned spaceflight does not figure in the report and Gibson does not hide his scepticism of manned projects. "We need to understand how man can best be used in space," he urges. "People are being too profligate in demanding astronaut

time in the space station. We must back off from that. We want to know where robots, television and other gimmicks could prove better and much cheaper."

"We should also think very carefully about European autonomy in space. Such talk is heady stuff but we cannot yet do everything by ourselves — the cost would be very high. We must chalk up five years' experience on the American space station before we set about building an all-European station."

Britain's best space asset is Roy Gibson himself. His plan concentrates on areas with good scientific or economic prospects and projects with only modest risks of snowballing costs. Yet it gives the country an impressive base in space sciences — the kind of foundation that should have been built twenty years ago.

Will all this mean a much more convincing British space programme? "I guarantee it," says Gibson.

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Call up the past

By the bicentenary of Queen Victoria's birth more than five billion words written during her reign will be in our libraries, on screen

Once a fortnight, for many years to come, a van-load of 19th century books will be carried from London to the Cambridgeshire village of Bassingbourn, there to be recirculated by late-20th century technology. In the greatest scholarly publishing project ever undertaken, a quarter of a million books and pamphlets published from 1801 to 1900 are to be filmed, page by page, and put into microfiche form.

By the time the job is done, researchers around the world will be able to screen more than 5,000 million words — profound, pioneering, edifying, trivial or shameful — from that remarkable century.

Visions of delight will soon begin to open up for anyone with access to a subscribing library. Libraries are the project's target customers, for who else would invest £12,000 a year to acquire texts on everything from Abattoirs to Zoology?

When the project's editorial director, Dr Robin Alston, began trawling the British Library's miles of shelves, he found "masses of books that people have never

A dip into politics finds Viscount Ingestre's *Mallorca: or, Better Times to Come* (1852), in which the superintendent of Stafford Jail reports that of 3,320 inmates, 1,340 could not read and write; and that some eight children as young as eight, jailed "for stealing gooseberries, and trespassing in fields in pursuit of birds' nests... it is monstrous."

In the eyes of James McGrigor Allan in 1890, what was monstrous was "the Shrieking Sisterhood" demanding votes. His 351-page *Women Suffrage Wrong in Principle and Practice* gives warning of the follies it could lead to: "Amazonians really want women on juries, in pulpits, at the bar, on the bench, in both Houses of Parliament; boys and girls taught not merely in the same school but in the same class; young men and maidens to attend the same college, walk the hospitals, dissect and vivisection together."

The British Library's partner in the project is the Cambridge-based scholar

It will alter our view of the 19th century

heard of". Historians of the period were astonished when shown an early list of 400 odd items: "They all marked the books they did not know about," he said. "This project will substantially alter the way we view the 19th century."

The reason for the British Library's biblio-frenzy is that its 360-volume catalogue lists books by author, so unless you happen to know, say, that Peter Lund Simmonds, FGRS, compiled *The Caricatures of Food, or the Delicacies and Delicacies of Different Nations* (1859), you will never discover baked Elephant's Paws, African Haggis, Hippo's Flesh and Fat, Buffalo Humps, Flesh and Tongue of the Sea-Lion or Spitted Larks "... as many as four thousand dishes have been known to be taken in the neighbourhood of Dumfries between September and February".

Alston has had to exclude some categories — such as textbooks, periodicals, fiction, poetry and drama — to leave room for 19 vast fields ranging from philosophy to recreation and from science (including Darwinism, of course) to visual arts.

Satire: Charles Darwin was a target of mid-Victorian ridicule publishing firm Chadwyck-Healey. Each microfiche — a sheet of transparent plastic measuring 4in by 6in — holds perhaps 35,000 words; about 20 million microfiche words will fit into a shoebox. At £2 per microfiche, libraries will be buying books, some of them extremely rare, at an average of £3.60 each.

Already subscribers are being lined up in Britain, America and West Germany, not to mention a dozen in Japan. The first 3,500 fiches will be ready by the end of June and the last will be shot shortly before the bicentenary of Queen Victoria's birth, in 2015.

John Wardroper

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SATURDAY

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Hooked on helping

Three university undergraduates are themselves giving lessons — on how to stem the drugs tide

By March 11 three undergraduates at King's College, London, hope to have introduced a new word to the campus culture: DAP, an acronym of Disciplinary Adversus Pharmacopoeia Students Against Drugs. March 11 has been set aside as National Anti-Drugs Day. "There've been a lot of campaigns doing the drugs circuit," says 18-year-old Jonathan Ely who, together with Shaun Thaxter, 19, and 20-year-old Alistair Corrie, has organized the campaign. "We feel that none of them was aimed at the student population, where there is potentially the biggest problem."

But they are not directing their campaign at the drug user, like Olivia Channon, whose death last summer first sparked their zeal: their target is the person who might feel inadequate when discovering that a friend is addicted. "We're taking the approach that your best friend may be a drug abuser and you may be the only person who can help. We're not patronizing them; that won't achieve anything with students," Thaxter says. "We are trying to get people who are not abusing drugs to learn about them, so that when they come across a problem they know how to deal with it."

Immediate beneficiaries of the campaign will be the

residents of Phoenix House, the south London rehabilitation unit. DAP hopes to raise at least £100,000 of the £5 million Phoenix House requires for much-needed expansion with events such as a concert on March 11 at King's, in the Strand. Already 20 universities have pledged their own campaigns, with Rag Weeks being dedicated to the appeal. "But we're more interested in communication than raising money, quite frankly," Ely says.

Last summer Thaxter and Corrie were in the United States and were shocked by the drug-taking they witnessed. "It was blatant. There was no question of people trying to hide it." Some dormitories were out-of-bounds to visitors who might easily come upon youngsters injecting drugs.

"Unless we can do something, that problem is going to be here in a couple of years," Thaxter says. Last November, the three visited Phoenix House, spending six hours with former heroin addicts. "We were horrified," Corrie says. "There's a whole sub-culture dedicated to drug-taking. Their whole lives revolve round their obsession." His own realization of the problem came a year ago when a girl he knew developed a heroin addiction. "Luckily she's OK now, but it could have gone the wrong way and I hadn't a clue how to respond."

Eddie Hunt of Phoenix House is giving administrative support: "As a treatment service we don't have the resources to get the message to all the people we need to," he says. "There is a drug



Chasing the drugs dragon: King's College undergraduates (from left) Shaun Thaxter, Jonathan Ely and Alistair Corrie

Various corporations have

Simon Tait

© Times Newspapers Ltd 1987

CONCISE CROSSWORD NO 1193

ACROSS

- Roll in mud (6)
- Haircut (6)
- Talk (4)
- Point out danger (8)
- Bow sport (7)
- Slacken (5)
- Unchanging in attitude (4-3-4)
- Moral fall (5)
- Restless (7)
- Sacredness (8)
- Substance of argument (4)
- Amb leader (6)
- Three miles (6)

DOWN

- Amused (7)
- Song words (5)
- Ice cream biscuit (10)
- Celtic poet (4)
- Swagter (7)
- Gunshot (5)
- Powerful group (5)
- Change for better (5)
- Blot out (7)
- New baby clothes (7)
- Rised lining (4)
- Shoe forms (11)
- Pastoral poem (5)
- Looking over (5)

SOLUTION TO NO 1192

ACROSS: 1 Alpaca 4 Carver 9 Against 10 Durum 11 Taxi 12 Verdict 14 Termination 18 Snigger 19 Easy 22 Envy 24 Paradox 25 Tawny 26 Twelve

DOWN: 1 Ajar 2 Playa 3 Confirmed 5 Aid 6 Verrugo 7 Remote 8 Stevedore 11 Tat 13 Rotten Row 15 Erudite 16 Nay 17 Ascent 20 Pedal 21 Aisle 23 Ton

Following the death of Mr David Fyfe Cable of Forfar, Scotland, who died in England after his return from Iran, and acting in trust for and on behalf of Mrs Sylvia Cable, his widow, who has now released a portion of his superb collection to

A. Wellesley Briscoe & Partners Ltd, for a

VERY IMPORTANT AUCTION

HIGHEST INTERNATIONAL MERIT

of a further part to be auctioned in London

THE DAVID FYFE CABLE

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RARE SILK RUGS AND OTHER IMPORTANT ENTRIES

NOTE ON THE LATE DAVID FYFE CABLE. He was born in

Forfar, Scotland, on the 24th of April, 1934. At a very early age

through his father, who had often worked in Iran and later as a

student, he developed what was at that time an unusual interest

in Persian rugs which continued to grow throughout his life.

In 1958 he went to London, at that time still the centre of the

world for Persian carpets, to seek his fortune and his niche in the

trade of Persian carpets.

The bonded warehouses at the Port of London Authority, Cutler

Street, London EC2 (formerly the East India Docks Warehouses)

were the centre of the oriental carpet trade.

It was in this closed world that David Fyfe Cable started his

career and in which he was determined to succeed. He

commenced his collection picking rare items in the hundreds of

thousands of rugs that transited through the bonded

warehouses. In his passionate love of rugs and his determination

to succeed, even though an outsider in this field, he made

outstanding progress.

In 1965 he became a director of the Persian Carpet Trading

Company Ltd, of 120 Bishopsgate, London EC2, at that time one

of the largest of the 127 companies in the Port of London

Authority Warehouses.

In 1968 having mastered Farsi, and accompanied by his wife,

he fulfilled his lifelong ambition to live and work in Iran. With

foreign capital he organized in the manner of a large European

trading corporation, International Carpet Trading Company

Limited of Teheran. It was during this time that his work took him

deep into the remote parts of Iran where his passion for seeking

out the beautiful, unique rug could be satisfied.

Whilst in Iran he commenced his book "A Scotsman and Persian

Rugs", which he wrote in the manner of A. Cecil Edwards' classic

work "The Persian Carpet", and which has remained unfinished.

Always of delicate health and a very heavy smoker, he was found

to have cancer of the stomach and returned to England where

he died.

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FRIDAY PAGE

Warmth, wit and Winfrey

The most successful day-time chat show host in America is a woman called Oprah Winfrey. Her programme is broadcast live, five days a week, and the Defence Secretary is one of her fans. Shirley Lowe meets the star who has syndicated sincerity

Whenever people spot Oprah Winfrey on the streets of Chicago, they don't finger their autograph books nervously, whispering "It's her... it's her." They grab her arm and say: "Wait right there while I get a pen."

Winfrey, the most successful chat show host on American television, is everybody's friend; in a synthetic world she has succeeded in syndicating sincerity. If you've ever squirmed at Eamonn Andrews or Cilla Black's emotional excesses, then Winfrey may make you feel uneasy: clips of her show shown on BBC2's *Did She Say...* earlier this week produced mixed reactions among the debate on programming for women. Yet Winfrey is so warm, so comfortably plump ("Whenever I see a fat black woman, 300 to 400 lb waddling towards me, I think, 'Here comes another woman who's always being told she looks just like me'") so confident with her defiantly tight scarlet pants and sweater, chunky gold jewellery and great big glamorous smile, that she makes our Cilla look like a shrinking violet.

The *Oprah Winfrey Show* goes out live from Chicago five days a week and deals with real people, raw feelings. She won't have politicians on her show — "They don't tell the truth" — or writers and actors publicizing their latest work. The show went national five months ago, is already the number one syndicated daytime programme in America, and, according to *Variety* magazine, Winfrey is expected to earn about £19 million this year from the deal.

"I believe what you are and who you are is settled by third grade," she says. "In class I was always the first to raise my hand, the first in this, first in that; the person everyone turned to and told their troubles to. It's still the same today."

The difference is that today, when people tell Winfrey their troubles, they do so live on television. The woman who says she came home and found her husband in bed with her mother, the fresh-faced schoolboy telling of how he was forced into satanism rituals, are confiding their experiences and anxieties to 92 per cent of American viewers.

Winfrey forestalled any suggestion that she exploits the guests on her show, by confessing, early on, that she was raped by a baby-sitter when she was nine and regularly sexually abused by three family

friends after that. In the same programme, she burst into tears and threw her arms around a middle-aged woman who was trying to describe how she gave birth to her father's autistic child.

"The reason I came out and said I'd been sexually abused is that if nobody talks about it, you think you're the only one it's ever happened to. I didn't know it was called. I just knew it must be something I was doing wrong and I couldn't tell anyone about it."

Today, the studio audience are sharing their sex secrets with the nation. A woman gets up and says: "I had three men as well as my husband, and I can tell you it was great." Winfrey rolls her eyes admiringly. "Boy, you've got a lot of stamina. Occasionally she gets angry. Hand on hip, she thrusts her microphone at the man who's just announced that women should stay at home and look after their husbands and children. "What century do you live in?"

She once asked Sally Field if Burt Reynolds were a topper, questioned Dudley Moore about the technical intricacies of sleeping with tall women, and quizzed a porn movie actor: "Don't you get sore?" An admiring woman in the audience says: "She comes out with what you want to come out with."

Replying to Shirley MacLaine, who made earnest pronouncements about how losing weight would make Winfrey happier with herself as a person, she said briskly: "I don't know about all of that. I just want to get into a pair of size 10 Calvin Klein jeans." She weighs 180 lb on a good day, and is always on some sort of diet. "I eat when I'm depressed and I eat when I'm happy. Sometimes when I can't decide whether I'm tired or hungry, I make the decision while I'm eating." People keep urging her not to lose weight, saying she'll lose her personality. "Honey, it ain't in my lights," she replies.

"Straighten up and fly right," is her positive message to the people who tell her they can't cope with life. "I did a whole show about people with negative addictions and was absolutely frustrated." She stamps her feet, one, two, three, to emphasize her frustration.

"There's this woman who says she can't help the fact that she goes out and picks up men. Aargh, I don't relate to that. I'm screaming



'You can do anything. Do you hear me?'

Oprah Winfrey, offering a positive message to her viewers

blue murder on that show, crying: "Don't say can't, it's so dumb. You can do anything. Do you hear me? Anything." Of course you can."

She is a fine example of her own philosophy. Born in Mississippi 33 years ago, the result of a "one-day fling under an oak tree," she spent her first six years with her grandmother ("She could whip me for days and never get tired"), and was shuffled about between relations until she ended up with her father, a Nashville barber and part-time city councillor, when she was 13. He gave her stability, discipline and worried that she never did any homework. "What does it matter?" said Winfrey. "I get first grades." She still gets criticized for not doing her homework, but knows she does best relying on her instinct.

In 1971 she won the Miss Fire Prevention contest, got a reporting job on the local radio station while she was still in high school, and then a scholarship to Tennessee State University. "I hated it, hated it. It was an all-black college and it was 'in' to be angry. Whenever I hear the words 'community organization' or 'task force', I know I'm in deep trouble. I still get a lot of stick for not backing women's or black groups. I intend to do a grand job, not because I'm black or a woman, but because I'm me."

Winfrey and her team are planning to do a segregation story in Atlanta, Georgia. She'll let the racists speak because she knows it will be better propaganda than any march; better television too. She rolls her eyes at one of her producers. After that, she's flying to Washington to give a talk at the Pentagon. It's Black History Month and Caspar Weinberger is a fan. "What's he doing watching Oprah Winfrey in the afternoons when he should be running the country?"

Her audience, besides the Defence Secretary, is mostly middle-aged white housewives and her sponsors are food, beauty and fashion firms. "When people watch television, they are looking to see themselves. I think the reason why I work as well as I do is that people sense the realness. Not that she's a real housewife. She eats out most evenings and rarely makes the bed. "I figure I'll be back in it in 12 hours: what's the point?" She has never married but is madly in love with Stedman Graham, director of an anti-drugs programme, who is so tall and so good-looking that her staff, who obviously date on her, initially worried that there must be something wrong with him.

Winfrey discovered her talent for talk when, after college, she worked as an anchor-woman on a Baltimore television station and was demoted to co-host of a morning chat show. The ratings soared. She moved to Chicago and the ailing *AM Chicago* show, which pushed its way up to the number one spot in the ratings and was renamed *The Oprah Winfrey Show*.

"I don't get butterflies. I never have," she says, "except on the *Joan Rivers* show. I've been on it three times; the first time I was an absolute wreck, with a capital W and three Ks. The reason people confide in me is that they don't feel intimidated. I try to exude comfort, whether I'm talking to a member of the Ku Klux Klan or a celebrity."

Last year saw her debut as an actress in *The Color Purple* (she was nominated for an Oscar) and she had a small part in *Native Son*. "Sied missed me because he was still parking the car. "I love acting, love it," she says, "but I'm going to go on doing this. I want to do all of it."

She also wants to bring her show to England. She takes a plummy English accent and I suspect it's mine. "I think I'd go down sooperly in London. Don't you?"

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One law for the men...

Women judges are in the news. Is there still sexual prejudice in the legal profession?

This week Mrs Justice Heilbron was in the headlines when she ruled that a father-to-be had no legal right to stop his girlfriend going ahead with an abortion; earlier this month Judge Nina Lowry imposed a 16-year sentence in a rape case at the Central Criminal Court.

Judge Lowry, who is married to another circuit judge, is the only woman judge at the Old Bailey and one of only 16 woman circuit judges in England and Wales. There are 373 men. Mrs Justice Heilbron is one of only three women High Court judges: there are 76 men.

The pattern is repeated throughout the judicial hierarchy. Out of 534 recorders — part-time judges — only 22 are women. In the highest ranks, there are no women at all: no woman has ever been appointed to either the Court of Appeal, where there are now 23 judges, or the House of Lords, where there are nine. The Lord Chancellor's Department stoutly maintains there is no prejudice against women: it says the sole criterion in appointing is to pick the best candidate for the job, irrespective of sex, politics, religion or ethnic origin.

But there have been accusations that women's prospects of promotion are not as good as men's. A year ago Mrs Nancy Wilkins resigned as a recorder on the Oxford and Midland circuit. "Had I been a man I would probably have been made a circuit judge at least five or six years ago, as I have all the experience and qualifications," she says.

A grim picture of the profession's sexual make-up was drawn by civil rights barrister Helena Kennedy in *The Bar on Trial*, published in 1976. She showed that women accounted for only 8 per cent of the practising Bar. The main stumbling block for women was "simply prejudice", revealed most strongly when women barristers were seeking a seat in chambers. Most chambers had no women and some openly operated a "no women" policy, she wrote.

Things have changed as many more women enter the profession: in October 1985, there were 5,367 practising barristers in England and Wales, of whom 13 per cent were women. But they now face different problems. "Chambers now tend to have their quota of three or four

women and they don't want any more," Kennedy says. Women in the law have by tradition gone into certain kinds of work, such as crime — but not the big cases because hardened criminals often do not want a woman — and family law. This is partly due to the fact that they have found more interest in child care law and matrimonial work. But it also reflects the attitudes of clerks, who allocate briefs: solicitors, who instruct barristers; and clients, who do not always want a woman lawyer. Both crime and family law are the big — and less well-paid — legal aid areas.

Ann Cumow, QC, a 52-year-old criminal practitioner, broke into an all-male preserve when in 1972 she became the first woman Treasury counsel among 16 men at the Old Bailey. She recalls strong opposition before she joined, on the grounds that having a woman in the robing room would pose problems when they were changing or because of the language used. "I had to



Mrs Justice Heilbron (top) and Judge Nina Lowry

go into a little anteroom to change, but they soon realized my language was as ripe as theirs."

Hilary Heilbron is a 38-year-old barrister who has broken into a male preserve: commercial work. "It was very rare when I started out 15 years ago. I can't think of any women members of commercial chambers before my time." Daughter of the High Court judge, she had no inhibitions about what work women should do and encountered no difficulties.

Alan Patterson, author of *The Law Lords* and a lecturer at Strathclyde University, believes that "we are in a kind of time warp and it will be a few years yet before many women reach the higher ranks of the profession."

Frances Gibb

FIRST PERSON

Kitty Frankl

Question time

There has been a revolution in the assessment of senior secretaries in the last two years that has produced a worrying trend in recruiting techniques. In the 1960s it was not unusual for a prospective candidate to sign on with an employment agency at 9am and be sent for a job (a job, not an interview) immediately.

Even in the dismal 1970s, job-hunting was a relatively simple task. Candidates went directly for an interview with the prospective employer and knew almost immediately whether they were successful. Little time and effort were invested, and an unsuccessful candidate could move on to other job prospects without a loss of confidence.

Compare these conditions with the standard situation in the mid 1980s: candidates join an agency and are asked to prepare extensive curriculum vitae which the agency then sends to interested companies. The personnel department of a company sifts through the CVs, passing on the best to the prospective boss. By now at least a week has elapsed. Finally the first interview is arranged. Candidates are given details and make their way to the company at their own expense.

The initial interview tends to be with one or two members of the personnel department. It rarely lasts less than a hour, usually longer. Then comes the waiting game. It takes at least another week to hear the result of the first interview. Should the candidate have performed well, she is invited to a second interview. Again this will be at the candidate's

expense. If lucky, the candidate will now meet her prospective boss. But sometimes she is only subjected to a further in-depth interview with personnel officials or colleagues. Such an interview, as seasoned job-hunters have come to recognise, is simply a time-waster.

It is only during the third interview that the candidate is finally confronted with the real challenge. Then she and her prospective boss will discuss for a time various aspects of the job, the boss's requirements and the candidate's relevant experience. When the interview ends, the candidate may feel that the interview went well and thank her prospective boss confidently for seeing her. But it is still a waiting game and a few more anxious days follow.

Eventually the agency makes contact. Yes, Mr X was most impressed, but feels that one more interview would be useful to clarify some outstanding points. At this stage an inexperienced job-hunter might be forgiven for thinking that the job is in the bag. But not so. The boss, in fact, is interviewing the candidate again at her expense and on company time and he has no hesitation in re-interviewing several candidates at the same time.

It may be another week before the hapless candidate is told by the agency that she was just pipped at the post and jolly bad luck. "But don't worry, because a super job which might be suitable has come in and interviews are being arranged..."

A pig with anti-social tendencies combined with a koala in pink dungarees and a punk spider called Sadie are poised to provide a rather different staple diet for children's reading.

If ever proof were needed of the passé status of *Janet and John*, this is it. One of Britain's leading educational publishers, Longman, has invested an unprecedented £1.25 million and six years preparing a scheme called *Reading World* for four to 12-year-olds.

Early next month will see the launch of the first volumes in the 42-book series which, the company freely admits, has a deliberately provocative format designed to engage children's interest.

For example, what about the following illustrated couplet? *A peanut sat on a railway track, silly little nutter. Along came an engine — Toot toot, peanut butter!*

Promoters describe the whole series as "a far cry from the traditional post-war reading scheme inhabited by well-scrubbed sets of twins, endlessly running dogs and cheerful mothers and fathers."

The chief villain of the piece is Fred the pig, a carefree, wistful sort of chap who specialises in organizing and disrupting picnics. Many of the books bear a striking resemblance to colour comics. They contain exceptional graphic work and the characters talk in bubble speech. Moreover, the emphasis is on humour.

Novel ideas to win young readers

Four strange animals with a penchant for jokes are preparing to make reading fun



Disruptive element: Fred the pig enjoys a picnic

indication of the value of this approach was a survey earlier this month, which suggested that as many as seven million teenagers and adults in Britain may have basic literacy problems.

Four years ago, research published by Nigel Hall, a lecturer in education at Manchester Polytechnic, contained some remarkable insights into infant reading schemes. Hall examined in detail the five or six most common reading pro-

grammes on the market and found a marked absence of characters depicted as reading enthusiasts.

"There was one child who said he found reading quite a drag at school," Hall says. "When he was told by the teacher to stay inside and open his books, more often than not he was being told to relate to stories about children who spent their time playing outside with their clubs."

Reading World also departs from many of its predecessors in offering parents an option to buy companion texts for use with their children at home.

Priced at £1.25, each companion book contains basic guidelines for supervision and a cluster of further stories, many based on tales in the original school texts. Controlled experiments have repeatedly suggested that parents who are prepared to spend even 10 minutes a day listening to their children's reading can contribute to marked improvements in performance.

Inadequate and sub-standard reading performance is still most marked among the children of parents in the manual and semi-skilled social groups. It remains an irony that the very children who might stand to benefit most from Longman's shared reading option may be the ones whose parents either cannot afford the money or the time — or lack the motivation — to buy and use the extra reading materials.

Yet even if they decline the option, Fred the pig, Lucy the koala and Barney the dog stand more than an even chance of becoming regular fixtures in the primary school classroom. Laying the ghost of *Janet and John* looks like being a colourful, if somewhat controversial exercise.

Mark Dowd

The first books in the *Reading World* series will be published by Longman on March 9.

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THE TIMES DIARY

Jostling Jocelyn

Students of the Royal College of Art have written a letter of no confidence to their rector, the former newspaper executive, Jocelyn Stevens. It is in protest at his decision not to renew the contract of Geri Dunbar, the professor of graphic design, who last week received a three-line, wrongly addressed letter from him breaking the news. Dunbar, who was tempted to the RCA two years ago by Stevens, says it was not been easy working with him. "There is a vast generation gap between the rector's views on design and my own and those of my students." His students were already fuming over the way that Stevens turned down students' designs for an anniversary letterhead in favour of a professional design firm. Stevens told me yesterday that seven or eight other staff would not have their contracts renewed. Denying a personality clash, he says, "Everybody knows it hasn't worked out."

Act of God?

The creation of the Church of England's first deaconesses, 21 of them, at Canterbury Cathedral this evening, came near to being called off. The reason was that though the move had received Royal Assent, somehow the paperwork was not completed on time by the Government to allow the order to be "promulgated" as planned at the General Synod on Tuesday. Amid growing concern for the ceremony — whose symbolic importance after yesterday's debate on woman priests is not to be understated — a motorbike dispatch rider, envelope in hand, finally burst through the gates of Church House yesterday in time for the licences to be accepted by the synod. The Home Office told me no one was to blame.

Sinking feeling

The Archbishop of Canterbury's advice at the General Synod yesterday to priests worried about the ordination of women that it was "a little early to be taking the tarpaulin off the lifeboats" raised this sour comment from a potential refusenik: "Isn't it usually a case of women first?"

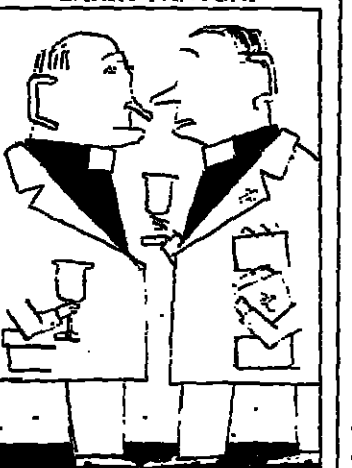
Chatting up

The choice of BBC director-general was in the balance to the last. On Wednesday evening, the chairman and vice-chairman of the governors, Marmaduke Hussey and Joel Barnett, attended a party at Television Centre to celebrate the 60th edition of Robert Kilroy-Silk's *Day to Day* chat show. Hussey mingled with the staff, gently soliciting opinions on the succession. Flattered, the programme's editor, Hugh Purcell, told him his choice loud and clear: "Jeremy Isaacs."

Cannon fodder

More than 30 anti-nuclear demonstrators, some of them Labour councillors, plan to turn up at Bethel Street police station in Norwich and ask to be arrested on March 7. It is their response to a Nato war-exercise due to start three days before. Rupert Smith, a spokesman for the CND group organizing the stunt, tells me: "If a nuclear war breaks out, those who oppose it will be arrested immediately. So in the interests of authenticity, we will go to our police station, say 'Hello, we're subversives' and ask them to arrest us."

BARRY FANTONI



The archdeacon's furious... He always used Bruce Kent as the reason for not joining Rome.

OAParadise

A Zambian MP thinks he has hit on the answer to his land's money problems: the British pensioner. In a *Times* of Zambia advertisement, headed "How Zambia could earn £1,000,000,000 per year", E P Kavindec points out that English pensioners get a state benefit of £40 a week. "If only half-a-million of them were invited to spend part of their lives in Zambia in the sun, it could solve our foreign exchange problems." With Zambia's currency, the kwacha, now so weak against the pound, the old folk "would enjoy a better standard of living and certainly better weather than in the UK." But don't all rush: the DHSS warns me that OAPs who took off for Zambia would not be entitled to pension increases over the years.

PHS

Five-year plan for technology

David Blake proposes setting up a specialist body to work out a strategy for innovators

Over the past two weeks *The Times* has been highlighting the failures in Britain's research and development effort and the melancholy outlook this presents for the economy. Posing questions is one thing, finding answers another — as Mrs Thatcher has often pointed out. Is there anything we can do about the problem? So many conflicting ideas are swirling around it is hard to know which route to choose.

This is why I think Britain needs a new body which should be called the Technology Strategy Institute. Its job would be to bring together in one place all the strands of the problem, untangle them and then weave them into a pattern that makes sense. It would provide the mix of intellectual and practical skills needed to develop a coherent approach to science and technology.

Since it came to office the Government has been committed to just such an approach for all the problems in the labour market. This has meant simultaneous activity on many fronts: union legislation, new training initiatives for the young with few academic skills, measures to promote small-business enterprise, and changes in the tax and benefit system. It could not have been achieved without a clear vision into which all the bits of action could be fitted.

Improving the labour market is only part of the solution to our industrial problem, however. We need to be applying as much energy and commitment to getting the technology side of our industry right as we have to working on the labour market. Resistance to innovation in industry has been greatly reduced over the past 10 years; but our sources of innovation are running down.

Britain has been able to catch up by applying techniques which others implemented before us. But to be really successful we need to start finding our own.

Establishing a clear policy and set of attitudes in the community to inventing and applying new technologies will be difficult.

How do we do it?

We have to identify why we spend so little on civil research and development and why we see so few practical results for our money. We have to decide whether our best hope is to follow the West German route of trying to be in the top third of many industries or the Japanese route of being best in one or two or some special route all our own. Technology is at least as much about doing

old things better as it is about doing anything new.

We have to go beyond analysis and present practical suggestions which the people who take the vital decisions can follow. In Japan or Korea, if the institutes forecast that biodegradable cars will be the thing of the next century, people start trying to build one. In Britain the Technology Strategy Institute would have to take people on secondment from industry and government, which would hope to gain from their involvement. And it would have to be funded jointly by industry and government.

A good model for any body that wants to change the way we manage innovation is provided by the successful innovators themselves. The latest Japanese fashion in industries developing new products is "rugged". This does not mean kicking the ball into touch and getting on with the serious business of punching the person next to you; it means that all of the processes — invention, market research, development and production — advance towards the line together. This is very different from the traditional linear approach, which is to spend two or

three years trying to agree what the problem is, another two or three years getting proposed solutions, accepted, and another two or three implementing them — by which time they are five years too late.

But why do we need yet another new body?

One reason is that it is often harder to change something which exists than to build on a green field. A representative body of scientists and industrialists would inevitably be a talking-shop pressing special interests. Government on its own cannot be relied on to act because it has to defend what it is currently doing. It is anyway someone outside to provoke ideas.

There is a danger that any new body would settle down to a comfortable routine producing interesting studies of what went wrong with Dunlop's run-flat tyre (remember that?) in the early 1970s. One way of concentrating the minds of those involved would be to wind up the strategy institute at the end of a fixed timespan — five years, say — on the ground that if it had not come up with a better way of running technology policy by then it never would, and that if it had it would have worked itself out of a job.

Not only would the time limit concentrate minds. The fact is that we really do not have much more time than five years.

Richard Bassett on the folly of condoning Ceausescu's brutal regime

Until this month it had been a good winter for Romanians. Power cuts had rarely occurred more than twice a day. Queues for petrol had been drastically reduced, albeit by the simple expedient of banning 70 per cent of the country's cars from the roads.

Early this month, however, a new decree on energy rationing was published, further tightening the already severe restrictions on gas and electricity consumption. The monthly quotas for gas and electricity used in people's homes were reduced by 20 per cent; and for other supplies by at least 30 per cent. The punishments for those caught violating the new orders — which are subject to random checks by inspectors — were increased.

The new regulations, which will make the already hard lives of most Romanians even harder, caused little stir outside Romania. For as long as the snow lies on the ground, Western observers can be lobbied off with the excuse that many of the country's problems are the result of the weather.

The queue of 400 that forms each week for oranges in the Strada Rosetti is "inevitable", a Romanian official says with a shrug. Equally "unavoidable" are the bread and meat rationing, the lack of coffee in the cafes, the lack of food in the restaurants, the lack of heating everywhere.

The Romanian authorities are not alone in resorting to convenient fictions to explain the chaos. Western diplomats who continue to "value Romania's so-called 'independent' foreign policy" also sometimes turn a blind eye to reality. "Of course the Romanians, by rationing, are making great strides towards reducing their national debt," a Nato diplomat approvingly observed. "Docile people, the Romanians; used to putting up with near-starvation," another recently-arrived attaché remarks.

Western diplomats in Bucharest are an isolated community whose contact with the Romanians in the food queues is limited. Contact is also discouraged by the fact that it is an offence for a Romanian to converse with a foreigner and to report it to the police within 24 hours.

The daily struggle for survival of the average Romanian — his constant anxieties about whom he can trust, his need to be able to bribe in order either to eat or drive, plus the continual reluctance of the secret police and the denial of a right to a passport — all this has nothing to do with snow, the national debt, or the "docile" character of the inhabitants. It can be adequately explained only by the word tyranny.

Under the leadership of Nicolae Ceausescu, aided by his wife and a score of cousins and nephews, Romania has come to resemble Mussolini's Italy without the glamour and without a fraction of



Ceausescu: Inflated speeches of a 'golden era' for his hungry people

Why is Nato so kind to this tyrant?

the popular support Fascism enjoyed in Italy before the war.

Mussolini's inflated speeches are grotesquely echoed in the monotonous "golden era" edicts of Ceausescu, who is always referred to officially as the *conducator* (leader). The demolition of more than a third of old Bucharest for the *conducator's* palace and axial boulevards crudely recalls both Hitler's and Mussolini's efforts in the sphere of town planning.

No eastern European population suffers as much physical and mental harassment as the Roma-

nians. No eastern European leader has pursued a personality cult as vain and incessant as Ceausescu. No eastern European country violates human rights on such a scale. Human rights organizations throughout the West have a catalogue of Romanian offences against the Helsinki Final Act that make the Soviet Union, Czechoslovakia and Bulgaria seem almost benign in comparison.

Yet the West, economically and politically, continues to treat Romania more generously than any other Warsaw Pact country. This policy is based on the belief

that because, in 1968, Ceausescu gently chided the Soviets for invading Czechoslovakia, and because there are no Soviet troops stationed on Romanian territory, Romania enjoys a degree of "independence".

In the late 1960s and early 1970s some minor benefits were visible. Romania was the first Warsaw Pact country to recognize the EEC. Today, however, the policy is a monument to the West's failure to keep in touch with what is actually happening in Romania. The policy is, irrespective of the fate of the Romanians, highly damaging to Western interests.

A glance at the map shows the negligible strategic bonus of excluding Soviet troops from territory surrounded on three sides by Soviet tanks. Even if the Romanian army (illegally less docile in Western diplomatic eyes than Romanian civilians) was inclined to fight, its efforts would, however valiant, be negligible.

While the US continues in return for these advantages to grant the coveted Favourable National Status to Romania, the rest of eastern Europe is treated to an unedifying spectacle: the West's superpower, usually so fond of talking about moral values, propping up the machinery of Europe's most immoral state.

The computers at Bucharest airport, which identify a *Times* correspondent by his passport number and so force him to the sobering experience of a search in a small room at gunpoint, are of American design and were purchased with American money.

The West has a strategic, moral and economic interest in containing Soviet influence in Romania. Present Nato policy, however, by its adherence to obsolete perspectives, is only doing the Kremlin's work. So long as scores of Romanian human rights abuses fail to arouse from the West even a fraction of the protests expended on one Czech dissident, many Romanians are encouraged to believe that they must turn elsewhere for help.

Soviet influence in the country is steadily increasing, a fact that Nato diplomats are now beginning to notice with alarm.

The economic crisis, seen by the West as "a noble attempt" to reduce the national debt, has so demoralized the country's industrial and agricultural infrastructure that again it is subtle Kremlin propaganda which is slowly pointing the way out of the chaos. In these circumstances, an oppressed nation can only turn its gaze for freedom eastwards.

When Romania is "liberated", and even the most head-in-the-sand Western diplomats are slowly beginning to see that it will probably be sooner rather than later, the West's acquiescence in Ceausescu's evil will not be forgotten: neither by the Romanians nor by the Soviet propaganda machine.

Europe's answer to marauding US airlines

In airline boardrooms throughout Europe one item has for months dominated discussions on future plans: how to combat the impending threat from America's aggressive new mega-carriers. Each airline was working on its own solution, usually based on gimmicky new marketing techniques. Each also privately admitted that a new battle for transatlantic passengers, expected to break out at any time, could not be won.

Now a radical concept has begun to take shape: one that until recently was regarded as so politically unacceptable that no executive dared openly confess to harbouring a thought about it.

Why, the strategic planners are asking, don't we pool our resources, act in concert as Europeans and merge to form a really powerful European airline capable of fighting off the Americans? Some airline chiefs are quite open about it. "I am willing to hold merger talks tomorrow," Alitalia's chairman, Umberto Nardio, told the influential *Airline Business* magazine. "No European carrier is large enough to resist the US challenge. There is no use acting like a bunch of pygmies fighting each other."

Other chiefs, such as Cofin Marshall of British Airways, are

less open. In a message to his staff following BA's privatization he said he was now determined to do solely what was best for the airline "and those associated with us." But he added: "That will sometimes mean forging new partnerships to enable us better to capitalize on certain initiatives."

In Scandinavia and Belgium, talks aimed at producing a new financial link between SAS and Sabena are now reaching the last stages. In Holland, KLM is setting its sights on Britain's bright young commuter star Air UK. And West Germany's Lufthansa is talking to Spain's Iberia about the creation of a new holiday charter airline operating from Spain.

The catalyst that has provoked the new thinking is the unexpected result of American deregulation. When first proposed, the idea of freeing the industry from any kind of government control seemed a blueprint for successful competition: new highly efficient small airlines would open new routes, undercut the "fat-cat" incumbents and bring improved services, lower fares and a much wider choice, it was said.

The opposite has happened. In the last nine years some 120 airlines have gone out of business, some bankrupt. Only a handful

have thrived by taking over smaller rivals and then creating "hub-and-spoke" systems whereby they fly passengers from smaller airports into one central hub for the longer transcontinental or international flights.

Now, the few surviving American carriers are looking for other areas in which to expand. Other airlines to take over. And their eyes are turning increasingly towards Europe.

No European airline is permitted to operate hub-and-spoke systems within the US. But the Americans do hold such rights within Europe. So if they were to create hubs in London, Frankfurt, Rome or Paris and feed passengers to them from the rest of Europe there would be little the European airlines could do to compete.

So far, most European politicians have largely ignored the US threat, but continued to take it as an article of faith that their own national airline must be protected at all costs to carry the flag to all corners of the world. Now, however, pressure is growing on them to understand the basic economics: it simply does not make sense for each country within the narrow confines of Europe to go on protecting, supporting and proclaiming its own individual carrier

when the mega-carriers across the Atlantic are poised to swoop.

How exactly the gradual move towards mergers will resolve itself has yet to be seen. It could be that Europe's independents, such as British Caledonian, UTA, of France and other "second force" airlines will band together to create a new Euro Airline. Or there could be more collaboration between the airlines with shared timetables, reservation systems, maintenance facilities and even aircraft.

Some people believe that BA should be given its head to become the prime carrier in Europe, incorporating smaller rivals such as KLM, Swissair or even Alitalia.

Whatever the outcome, and there are many political and legal hurdles to be overcome before such ideas could become reality, Britain, because of its position, population, airport system and history, would play a big part in the creation of new European groupings.

If such a Euro airline is created there is certain to be long debate about what to call it. How about something simple — British European Airways?

Harvey Elliott

David Watt

Tilting the pillars of apartheid

Johannesburg
Britain is not the only country in the grip of a prolonged bout of election fever. South Africa's "white" election is not until May but already the newspapers are choked with political speculation, and the platforms and television screens with jostling politicians.

The non-white races, particularly the blacks, are proclaiming a lofty indifference to this activity, which they maintain is an irrelevant charade. Having no part whatever in the proceedings and being only too confident (like everyone else) that President P W Botha's National Party will win by miles, they make, to put it mildly, a fair polemical point. But in real terms they could be wrong.

This may, in fact, turn out to be a critical election in South African history, and the fate of millions of the nation's blacks may eventually be transformed by it.

What is at stake is the future of the National Party, the soul of Afrikanerdom itself. There is no doubt that this is beginning to crack, and that the cracks are appearing on both sides. The conservative factions, which began to split off seven or eight years ago when the abolition of "petty" apartheid really got under way, have continued to make progress. In the 1977 election they took 3.3 per cent of the vote, in 1981 15.5 per cent; and the latest opinion polls show they with 17 or 18 per cent.

At present, the conservatives have 18 MPs and, because of the concentration of their votes in the Transvaal, may have as many as 30 after May. This would probably enable them to supplant the liberals, the English-speaking, Progressive Federal Party, as the official opposition, but it could also create serious tensions on the National Party's left.

This is the significance of Weyland Malan, a liberal National MP who has just quit the party and is now running as an independent in one of the rich Johannesburg suburbs, and of Dennis Worrall, the former South African ambassador in London who resigned to stand as an independent in Cape Province against Chris Heunis, the minister in charge of constitutional reform. Both Malan and Worrall are reacting against Botha's sharp response to the right-wing challenge, which is to talk tough, clamp down on security, defy international opinion and put all ideas of reform to one side indefinitely. And both are banking on what they believe is a widespread fear among the Afrikaner middle-class of being hustled back into the laager by a malign combination of ideologists and lower-class red-necks.

It matters less whether either of them wins — Malan may, Worrall probably won't — than whether they get enough votes to influence the calculations of the National Party leaders after the election, and also the calculations of the 25 or 30 MPs on the liberal wing of the party who share Malan's and Worrall's views but have stayed

on the ticket because they believe they would have no chance, as yet, of being elected as independents.

The key to the situation is a fact often forgotten: outside South Africa that under the constitution which Botha introduced three years ago there must be another general election in 1989.

Malan and Worrall believe that if they can achieve a good showing in May it will at least oblige Botha to stop dishing out appeasement exclusively to the right. If by chance they both win handsomely, Botha will face the choice of resuming the reform process at a faster pace or watching the whole of the party's liberal wing peel off within two years.

The difficult thing to discover at this stage is how much real public opinion underpins these calculations. Clearly there has been a shift to the left in the NP's centre of gravity. The sociological basis for this change is the familiar Yuppie syndrome — young, prosperous Afrikaners from the suburbs do not possess the same obduracy or sense of racial aloofness as the older generation raised on rural values and biblical certainties. They are also more conscious of the outside world and of the relentless pressure of black population growth.

Less easy to identify, but surely a factor, is a sense of intellectual aimlessness. Neither the government nor the Dutch Reformed Church any longer provides a firm philosophical foundation for the notion of permanent white superiority. Apartheid itself, formerly a grandiose structure whose overarching consistency offered easy security to the whole tribe, is now a poor looking ruin whose main pillars have collapsed under the weight placed upon them.

These factors have produced an atmosphere almost of nervousness. Nevertheless, that is not the same as a realignment of white South African politics. It is still doubtful whether even a small minority of those who voted for Botha in 1981 have yet faced up to the inevitability of a government containing a majority of blacks, still less the inevitability of a one-man-one-vote democracy under black majority rule.

It is presumably because they realize this that Malan and Worrall are not talking in these terms at all but, much more vaguely, about "progress", "dialogue", "negotiation". The right, of course, resents even these words because they see, quite correctly, that they represent a slippery slope. But still, the gentle promise of the phrases may suffice to lead some Afrikaners across the psychological bridge from doubt and evasion to realism.

Nobody believes that the real National Party monolith is about to crumble, but the stresses of this election could just deepen the fissures to the point at which really sizeable pieces start to fall off. If the 1987 election can quicken this process of decay, the chance of fundamental change may not be quite so far off as most of us have feared.

Frank Johnson in the Commons

MPs kick around football merger

At the end of its first week, it is time to take stock of the London newspaper war.

It looks as if, in the fight for the capital's readers, the down-market Mr Tony Banks (Newham North West) is going to be a hard man for rival London Labour MPs to beat. On Tuesday he resorted to the most ruthless of the tactics commonly used by an MP anxious for a new readership: more sport.

"On a point of order, Mr Speaker," he exclaimed, "Can you advise me as to how I can raise today on the floor of the House last night's news that Fulham and Queen's Park Rangers are to be merged?"

He dealt with the resultant Tory hoots with an even more shameless appeal to the masses. "If it was the Royal Opera House that was about to be sold off and turned into luxury flats," he shouted, "hon members would be in uproar, yet we cannot get a discussion on this important issue."

So Mr Banks straightaway got into the newspapers on the Fulham-QPR merger, which neither club is in its constituency, and it's got nothing to do with Parliament or Government in any case. Or as the Speaker replied to him: "I do not quite know where Government responsibility would lie on a matter such as that."

Mr Banks had made a blatant move into the circulation area of the actual member for Fulham, the Labour moderate Mr Nick Raynsford, who is designed to appeal to a more middle-class readership. Mr Raynsford was left simply issuing a letter of complaint about the merger to Fulham FC's chairman.

A key element in the newspaper war is Mr Banks's pioneering of the capital's first 48-hour point of order. Just two days after its first appearance, an updated version of Mr Banks's point of order made its appearance in the chamber yesterday.

Mr John Biffen, the Leader of the House, made his weekly statement on forthcoming business. Mr Banks jumped up and demanded: "Is the Leader of the House aware of the extreme concern felt by hon Members on

both sides of the House at recent developments in football in London?"

Mr Banks continued: "The Fulham football ground is being forced to merge with Queen's Park Rangers and the asset-strippers that have got hold of Craven Cottage will develop it for luxury flats." So it was an investigative point of order, too.

"I know that the Right hon Gentleman is not very keen on the arts, and that he claims to be a great philistine," continued Mr Banks, appealing to Mr Biffen's better nature. "I hope he is not also against the more muscular sport of soccer. Will he therefore arrange for us to have a debate at the earliest possible opportunity?"

Mr Biffen replied: "It is rugby from the Welsh valleys which is the true art form." There spoke a man who does not have to fight for readers in the London Labour Party against other sensationalist MPs, a man who enjoys a monopoly position as member for bovine Shropshire North. He could not promise a debate.

Suddenly, Fulham's member countered the competition from Newham. Mr Raynsford asked Mr Biffen for a debate on a motion which Mr Raynsford said had been signed by 78 members "expressing grave concern about the implications for football" of the merger.

The motion bore the sensational headline: "Crisis in London Football". Its signatories included Mr Sydney Bidwell and Mr Jeremy Corbyn. Being respectively the members for Southall and Islington North, most London readers associate them variously with militant Sikhs, militant Lesbians and invitations to Sinn Féin. Most Londoners are surely tired of reading about those subjects. Faced with Mr Banks's challenge, Mr Bidwell and Mr Corbyn have wisely gone over to sport. The week also saw the relaunch of Mr Peter Shore (Bethnal Green and Stepney, Lab). On Wednesday he asked a question about the tedious Zircon affair. So he is not seen by media analysts as offering serious competition.



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THE PRESIDENT'S MEN

The report of the Tower Commission presents a thorough indictment of the conduct of foreign policy in President Reagan's second term. It speaks of a policy divided against itself, of a lack of accountability reaching into the innermost recesses of the Administration and a confusion of means and ends that would shame any constitutional government.

No one, except possibly the hapless former National Security Adviser, Mr Robert McFarlane — the only senior figure in the Administration actually to visit Iran — emerges unscathed. The President is charged with giving his officials at the National Security Council too much leeway to pursue policies at odds with those of the Administration.

The former Director of the CIA, Mr William Casey, took a month to inform the President of the diversion of funds to the Nicaraguan Contras. Even Messrs Shultz and Weinberger, Secretaries of State and Defence respectively, are charged with deliberately distancing themselves from a policy they disagreed with, thereby removing the checks their departments could, and should, have exerted.

The White House Chief of Staff, Mr Donald Regan, is cast in the role of chief culprit for the presentational fiasco which followed the first disclosures. The sharpness of the accusations may be a trifle unfair, given that the timing of those disclosures was dictated initially by those in Iran who had an interest in discrediting the United States. But the

force of judgement suggests that Mr Regan's tenure at the White House will now be no longer than has been predicted.

Yet the general indictment contained in former Senator John Tower's report does not extend either to the honesty of President Reagan or the integrity of the US Constitutional system. The Commission absolves the President of any intention to mislead, arguing that his prime concern was for the US hostages in Lebanon. Moreover, by blaming individual officials, however senior, for implementing policies which had not been authorized, the system itself appears to have been vindicated.

These two conclusions will come as a relief to most Americans for whom the one mortal sin is dishonesty and the one over-riding care is for the integrity of the Constitution. But they will not prevent outsiders from asking more searching questions about US foreign policy, its conduct and its priorities. Nor will it stem the flow of questions, from inside and outside America, about the future of the Reagan Presidency.

For while the President was not judged to have been dishonest, he was found to have been remote from the implementation of policies he had set in train. The effect of this was to involve the United States in transgressing some of the basic principles the President had laid down for the conduct of foreign policy.

Even as he and his repre-

sentatives were exhorting other countries, notably in Western Europe, to have no dealings either with terrorists or with governments which sponsored terrorism, US officials were negotiating with Iranian leaders for the release of US hostages in Lebanon. While the United States was taking an officially neutral stance in the Gulf War, it was selling arms to Iran. While Congress had halted the provision of funds to the Contras, money was still being sent via secret Swiss bank accounts.

These contradictions cannot but reduce the effectiveness of US foreign policy in the two years remaining to President Reagan. They mean that any new initiative will be treated by allies and adversaries alike with caution. There will in future be doubts about who is inspiring and who is implementing a particular policy and whether they are at one. The reputation of the President for being a good delegator who is as well informed as he needs to be has been permanently damaged.

Because his honesty and good intentions have not been impugned, however, he can fight another day. His decision to set up the Tower Commission has been justified by the rigour and care with which it approached its task. But if he is to benefit from this, he must act promptly on its recommendations, in particular to curb the freedom of action allowed to the National Security Council. He must also ensure that the United States in future has just one coherent — and legal — foreign policy.

AN UNHAPPY COMPROMISE

The Archbishop of Canterbury, Dr Robert Runcie, is at pains to reassure the General Synod and the Church of England generally yesterday that a decision to prepare legislation for the ordination of women did not determine the main issue. It was too soon, he said, to take the tarpaulins off the lifeboats or for nearby shipping to stand by for survivors. His opponents tactfully refrained from capping his maritime metaphor by likening him to the captain of the Titanic.

In fact, though there are certainly icebergs ahead, Dr Runcie was attempting to map a careful not a reckless course. The mind of the Church of England needed to be tested once more on whether its future should or should not include an ordained ministry of both sexes; and the moment for that test was when the shape of such a church had become clearer, in other words when legislation had been drafted.

That was his guidance to the Synod, and it was accepted. It was an invitation to postpone the moment of truth; with the great advantage (for him) that it further complicates the dilemma of the Bishop of

London, Dr Graham Leonard, and his followers, those who have been spotted looking for lifejackets. They obviously run the risk of committing themselves to the water too soon, only to watch the barque of Canterbury sailing happily away, lights ablaze, not yet sinking at all.

Meanwhile it was accepted by those on both sides that some serious thinking remains to be done concerning the unfinished theological controversy, both over women priests and over ecumenism. A committee of the bishops has been entrusted with the task, and the final decision Dr Runcie envisages — now postponed to the early nineties — will be taken after their findings are published.

It is unlikely, however, that the Church of England will sincerely re-examine the fundamental issues on their theological merits. Dr Runcie himself must know that. What emerged yesterday was a convenient political compromise, achieved by relabelling the legislation drafting exercise as a conditional one.

It will buy time. It will also buy continued suspense. In some circumstances, for instance if there were reasons for

believing that time would help to resolve the issues, the continued ordeal of churchmen (and women) on both sides could be regarded as a necessary price to pay. But compromise which merely puts off the evil day signals a lack of courage.

It is quite understandable that the Archbishop and the majority of the Synod should not want to inflict on the church and many of their church friends and colleagues the pain of schism and separation. But what has not yet been grasped, and needs to be grasped, is that the ordination of women will inevitably inflict pain: there is no option available which will give the church the best of all possible worlds.

No-one can really believe that continued theological study will deflect the course of the majority of the Church of England clearly wants to follow, least of all at the time when the final approval of legislation is close to acceptance, and hopes and expectations are at their highest. It was an unhappy compromise that the Synod voted for yesterday. The unhappiness it will cause will increase rather than diminish.

DEBT FATIGUE

The international debt crisis, once the apocalyptic talk of the town, has taken on the more permanent air of a faded institution. "Debt fatigue", a condition now identified by the World Bank, affected the public in Europe and the United States long ago. Now, unfortunately, it seems to be also afflicting those directly involved in maintaining confidence and flows of funds for trade between creditor and debtor nations.

Four years ago the very solvency of international banks, which had recycled the surpluses of oil exporters to such an imprudent extent in the seventies, was at risk. First Poland and then the much bigger South American debtors failed to meet their commitments.

Since then commercial banks have written down their doubtful loans to developing countries and diluted them with a boom in credit at home. They feel less exposed to a breakdown in the never-ending round of debt rescheduling negotiations and can take a tougher line.

Leading debtor countries have endured a bout of savage austerity in order to cut imports. Some are now unwilling and politically unable to face permanent austerity simply because commercial banks do not want to renew the flow of imported capital that has fuelled developing economies

since the days of the American colonies.

This mutual weariness has now surfaced in the unilateral moratorium on interest payments declared by Brazil. Having rescheduled most of its debt repayments, Brazil still found that a modest attempt to resume economic growth swiftly landed it in trouble in the absence of new loans from commercial banks. This may be seen chiefly as a negotiating tactic. American bank lenders would have to put still more red ink on their balance sheets if interest were not paid for more than ninety days.

There are already optimistic noises from Washington that, now that the debt problem has reached the status of crisis again, negotiation at the highest level will produce the necessary compromise. But Brazil's action both exposes and exacerbates the underlying problem.

In 1985, the international plan named after Mr James Baker, the US Treasury Secretary, recognized that countries like Brazil would need to resume growth to regain their creditworthiness. New lending by commercial banks was integral to the plan, in tandem with help from international agencies, to help economies to become more open and efficient.

The plan had some early successes, most notably in

Mexico. Broadly, however, public agencies have made their contribution while commercial banks have sat on their hands.

Aside from "debt fatigue", European and American banks have had more promising opportunities at home, while Japanese banks, which now channel the greatest surpluses, see better prospects in the Far East than in Latin America and Africa, the areas favoured in the days of recycling the surpluses of Opec. Moreover, the United States' trade deficit has made it as hungry for funds as a developing country — with a better credit rating.

Brazil's actions will only have confirmed the bankers' caution. This may be salutary in reminding debtors that the days when development could be financed entirely on loans from powerless foreign banks neither will nor should return.

While much progress has been made in rationalizing overblown public sectors and subsidy systems, progress in liberalizing developing economies and welcoming risk capital from developed countries has been painfully slow (except in the Far East). The foreign investor is far freer in Europe or the United States, which is why the wealthy of the third world send their money North. The developing world's economic nationalism is still suffocating its self-interest.

LETTERS TO THE EDITOR

Implications of the C v S case

From the Warden of Rutherford House, Edinburgh

Sir, In reiterating the liberal interpretation of the crucial words "capable of being born alive" in the Infant Life Preservation Act, 1929, Mrs Justice Heilbron, in *C v S* (Law Report, February 24) has brought the central issue in the abortion debate to the clearest possible focus. For the fundamental ethical principle upon which our permissive abortion legislation is based is that of foetal viability as the rule-of-thumb determinant of foetal rights. And foetal viability, as well we know, is a chimera.

In 1929, 28 weeks' gestation could reasonably be taken as *prima facie* evidence of an infant's ability to survive outside of the maternal environment — and therefore of a fundamental, if implicit, change in the character of foetal life. But since then medicine itself has developed this criterion in a pincer movement of technology.

First, developments in neonatal care have made possible much earlier survivals, such that independent authorities would now opt for *prima facie* viability at 24 or 22 weeks in place of the traditional 28 (as the Bishop of Birmingham's very modest Bill

has sought to have recognised in law).

Secondly, *in-vitro* fertilisation has presented us for almost a decade with the fact of "viable" early embryos, capable of development, independent of their mother, in the incubator we have come to call a test tube. While it is not yet possible to take the embryo through to term, marrying up the two technologies, it is well known that work has long been in hand on the development of an artificial placenta, so that human gestation would no longer require a uterus at all.

Whether or not we regard this as desirable, there can be no serious doubt that it will not be too long before it is possible. And if that is so, if the notion of viability is a mere accident of the state of medical science, we must ask how much longer it can serve as the practical criterion which distinguishes "termination" from "child destruction": procedures considered so distinct today that while the one carries a professional fee, the other warrants a sentence of life imprisonment.

Yours faithfully,
N. M. de S. CAMERON, Warden,
Rutherford House,
17 Claremont Park, Edinburgh.
February 24.

Injury compensation

From Professor P. S. Atiyah, F.R.S.

Sir, Now that the House of Commons, with Government support, has given an unopposed second reading to the Bill to repeal section 10 of the Crown Proceedings Act (and so to permit servicemen and women to sue for damages for injuries) (report, February 14) perhaps someone ought to point out that they have opted for a grossly inefficient and inequitable way of trying to ensure what we would all like to see — proper compensation for the injured.

Mr Winston Churchill, the Bill's sponsor, seems to have been astonished when he discovered how much the Bill would cost in legal and administrative expenses. But any competent legal scholar could have told him that for over 20 years it has been common knowledge in university law schools that the system of compensation through damages is monstrously inefficient and absorbs almost as much in costs as it pays out to the injured.

As for the argument that service people should have the same rights as any body else to sue for damages, it seems to have been forgotten that service people are entitled to benefits on a no-fault basis when they suffer injuries in the course of their duties. It does not seem so very unreasonable that, in return for assured compensation for all injuries, they should forgo their right to damages for negligently caused injuries. They will now, of course, have the best of both worlds. So much for equity!

Of course, the present Government believes in the system of damages for negligence as a way of asserting the personal responsibility of the negligent person. So may

we assume the guilty parties will be paying for the injuries they now cause to service people? By no means. The under-secretary assures us that the Ministry of Defence will, of course, pay the damages. So much for personal responsibility.

Yours faithfully,
P. S. ATIYAH,
St John's College, Oxford.
February 14.

Indexing of awards

From Mr F. G. St Clair Strange

Sir, The award of £850,000 to Mr Graham Cook (report, February 21) for his severe degree of total, permanent disability raises an important question on this method of compensation. Huge though the figure seems, it may well prove not enough.

In the early 1950s I had an attractive girl of 21 as a patient who had sustained almost exactly the same disability as Mr Cook. She was considered to have been suitably compensated, at that time, by damages of £27,500. But what use can that be to her now?

Mr Cook's damages may take on a similar complexion in 30 or 35 years' time.

It is not worth considering an initial award of, say, a tenth of the overall figure contemplated, coupled with an index-linked pension (the responsibility of the respondent, but in practice of his insurance company) sufficient to provide subsistence and constant attendance expenses?

With the passage of time, this might prove to be a much more satisfactory award.

Yours faithfully,
F. G. ST CLAIR STRANGE,
Church Hill House,
Harbledown, Kent.
February 21.

The Zircon affair

From Mr J. H. Lewen

Sir, In the Zircon affair it seems that a genuine defence secret has been betrayed and that acts of espionage, treachery and wanton mischief may have been committed. This would hardly be permissible even if the Official Secrets Act were amended in the way that many responsible people advocate.

It is strange therefore that this incident has been seized upon, not only by those who favour yellow journalism or subversion, but also by reputable bodies concerned with freedom of information, in such a way as to condone the betrayal and to suggest that it ought not to be investigated.

The case for greater freedom of information would surely be better argued on its own merits and kept free from the taint of Zircon, which points rather to a need for tighter security of genuine secrets and vigorous investigation of breaches.

It is disingenuous to argue that the broad wording of the 1911 Act is somehow responsible for the Zircon affair. It can give rise to doubt about what may be disclosed in borderline cases (loyalty and common sense being rarer than they used to be), but Zircon is not one of those.

Yours faithfully,
J. H. LEWEN,
1 Brintley Road,
Cambridge.
February 20.

Common agreement

From Mr John Coleman

Sir, The British people need an article like Michael Ignatieff's "Europe, my Europe" (February 19) every now and again to waken them out of their slumbers. It was certainly a magnificent effort, but perhaps in one respect its judgment of the British people was not quite accurate.

Ignatieff suggested that the British people were more inward-looking and set themselves apart more than most of their continental neighbours. This is hardly the conclusion to be drawn from David Webb's (Gallup International's Secretary General) survey.

From the Principal of St Hilda's College, Oxford

Sir, The article on women in engineering at Oxford (Focus, February 10) may have given an unfortunate impression of the attitude of the women's colleges towards engineering.

Since this college's tutor in engineering was appointed in 1978 we have admitted an average of between three and four engineers a year. In 1978, 1981 and 1985 this was roughly one third of the university's total intake of women engineers.

We actively seek engineering applicants and indeed could claim that it was our enthusiasm for that subject, together with our undergraduates' successes in the Final Honours School, that helped to draw the attention of the mixed colleges to the potential of women engineers.

Yours truly,
MARY MOORE, Principal,
St Hilda's College, Oxford.

vey, in a Policy Studies Institute booklet, of the polls on the British attitude to Europe:

When broad questions are asked some 70 per cent of UK respondents are in favour of the general idea of European unity, but they do not link that concept specifically to the European Community. Once specific questions are asked about the European Community and its institutions that good will vanishes.

I believe that the great majority of British people do have a strong sense of a common culture in Europe, which has come down from the civilisation of Greece, Rome and Palestine. It has been highly individualised over the centuries and the British, like many on the Continent, resent the crude efforts of the EEC to push it all into a common mould and "turn the word Europe into a thought-stopping bore."

Yours sincerely,
JOHN COLEMAN,
16 CROFT ROAD, SW8.

No more cross words

From Mr John Ruffie

Sir, On a recent visit to Egypt I found a crossword puzzle in the *Times* for £2.50 (approx. £1.25p) and was (I think) delighted to find that the crossword had been accurately completed.

I have tried asking my supplier what he will charge for this remarkable service. Mr and Mrs Beeching (February 20) might also be interested if you could provide details of how it can be arranged.

Yours faithfully,
JOHN RUFFIE, Keeper,
The Oriental Museum,
University of Durham,
School of Oriental Studies,
Elvet Hill, Durham.
February 20.

Too much R and too little D?

From Mr D. B. Welbourn

Sir, May I suggest that this country is doing very much too much research and not nearly enough development. If British industry will not do the development of our research, doing research merely helps the competition.

May I give you one example? In 1965 I was responsible for initiating research into Cadcam (computer-aided design and computer-aided manufacture) in the Cambridge University Engineering Department. Later, as the university's Director in Industrial Cooperation, I tried to get British industry and Government departments to use and to develop the most promising of the various potential money-spinners which we had produced as a result of the research effort.

Of British firms, only the Delta Group plc, under Lord Caldecote, got interested. British Leyland tested Duct (a Cadcam programme which specifically programmed the skills of the patternmaker) in a half-hearted manner; Sulzer, in Switzerland, tested thoroughly, but finally decided to back a somewhat similar Swiss package; while Volkswagen and Daimler-Benz tested it thoroughly, took licences and put a lot of money into cooperating in the development: this despite the fact that they both already had Computervision, an American product which Austin Rover has been trying to foist on to its subcontractors.

In October, 1985, Daimler-Benz published a paper showing the financial savings which they are making by "buying British". If you study balance-of-payment figures you will discover that both Germany and Japan spend very large sums in buying other people's research; into this they put large development efforts, in particular into designing and redesigning products for manufacture.

Yours truly,
D. B. WELBOURN,
3 Westberry Court,
Grange Road, Cambridge.

Douglas-Home trust

From the trustees of the Charles Douglas-Home Memorial Trust

Sir, We, the trustees of the Charles Douglas-Home Memorial Trust, are glad to report that the initial response to our fund-raising has been most encouraging. Our first approach has been, in the main, to Charles Douglas-Home's friends, and this has raised £75,000.

However, our target is to raise £250,000, which we regard as the capital sum necessary to provide the income for the annual award. To achieve this we need a further £175,000 and we are now in the process of approaching charitable foundations and trusts whose objects encompass projects of this kind.

The aim of the memorial trust is to sponsor one award-winner each year and to provide them with financial independence to carry out the necessary research into a particular subject in the field of domestic or international affairs. Objectivity and an absence of political motive will be essential criteria. The written work will be published in book or pamphlet form with a shortened version appearing in the Press. *The Times* intends to offer space in its columns to winners of the award.

The trustees have been authorised to say that both HRH the Prince of Wales and HM Queen Elizabeth the Queen Mother have made donations.

Yours faithfully,
EDWARD CAZALET (Chairman),
DAVID DIMBLEBY,
JESSICA DOUGLAS-HOME,
BAMBER GASCOIGNE,
DAVID PRYCE-JONES,
The Charles Douglas-Home Memorial Trust,
Queen Elizabeth Building,
Temple, EC4.
February 24.

Wallenberg's fate

From Mr Anthony Beaumont-Dark, MP for Birmingham, Selly Oak (Conservative)

Sir, In the history of infamy, cruelty and injustice that hung like a black cloud over mankind in the Second World War there is no doubt that Raoul Wallenberg, a Swedish citizen who could have sustained himself from the suffering of the Jews, was a beacon and an example of one man's humanity to man that still enlightens the world.

Russia is now said to be on a path, however unsteady, to granting freedom to dissidents and political prisoners, but surely until they are willing to unlock the secret of what they did with this wonderful man and whether he is living or dead, that path is a stony and uncertain one.

I am the first to say that the way ahead is more important than the darkness that involves the past, but Raoul Wallenberg is a man of such stature that we all have a right to know what happened to him.

No gesture from the USSR would be more telling than for us to be told what happened to him so that future generations could more clearly honour his memory and learn that even in an inferno of evil a candle of humanity can outshine that evil and give hope not just to our generation but to generations unborn that goodness and love can and will prevail.

If we forget Raoul Wallenberg we will forget anyone. Let Russia answer now.
Yours obedient servant,
A. BEAUMONT-DARK,
House of Commons,
February 24.

ON THIS DAY

FEBRUARY 27 1797

The reference to Governor Wall in the following report of a French landing in Wales is at variance with the article on him in the Dictionary of National Biography, which also makes no mention of the landing. It was actually led by an American adventurer, Colonel Tate

LONDON GAZETTE EXTRAORDINARY.

SUNDAY, Feb. 26.

WHITEHALL, Feb. 26.

Letters, of which the following are Extracts, have been received from the Right Hon Lord Milford, Lord Lieutenant of the County of Pembroke, by his Grace the Duke of Portland, His Majesty's Principal Secretary of State for the Home Department.

... Haverfordwest, Feb. 24.

I have the honour and pleasure to inform your Grace that the whole of the French troops, amounting to near 1400 men, have surrendered, and are now on their march to Haverfordwest.

The public are thus put in possession of all the official documents published on the subject. From the information we have received, we learn, that on the appearance of the enemy's landing, the country people left their habitations, and fled in the utmost consternation. But, having recovered from their panic, the whole country around soon rose in a mass, and the peasantry armed themselves with fire-locks, pitchforks and what other weapons they could collect, and without waiting for the regular troops, returned to face the enemy, many of whom were found in the act of pillaging their cottages, having availed themselves of the confusion which their first appearance had occasioned. Such was their enthusiasm, and the force of example, that the very children followed their parents with their resounding hoots. We believe that only four of the enemy lost their lives; of these, two were killed by a farmer and his son in the act of stealing two calves out of a stable, which they intended to carry on board their ships. A third Frenchman was killed by a cottager, while regaling himself with ale, and bread and cheese; he was run through with a pitchfork. In the different scuffles, two of the brave Welsh were killed.

On hearing of the enemy's landing, the militia and other troops in the vicinity assembled with all possible dispatch; but before they could arrive, 300 of the French were taken prisoners by the peasantry. In the course of the day, the whole of the enemy were made prisoners.

As soon as the Commanders of the frigates off Fishguard saw that the banditti, whom they had landed, were made prisoners, they sent sail; but as Sir EDWARD PELLERIN sailed with his squadron on Thursday from Plymouth in quest of them, we hope to hear that the whole of the enemy's forces have fallen into our hands.

This expedition, which has been only imperfectly described, consisted of two fifty gun ships, having a complement of 480 men on board each; one ship of 22 and a lugger of 14 guns... though there is no reason to suppose that it was intended to set free the Republican prisoners detained in Pembroke Castle, amounting to 1000.

The man, to whom the military command of this expedition was entrusted, is the famous Governor WALL, formerly Lieutenant-Governor of Senegal, who we trust will now meet the fate he long ago merited. It will be remembered by many that this WALL was apprehended about 14 years since at Bath for the murder of a Capt MACKENZIE, whom he caused to be shot from the mouth of a large gun, because he had given him some personal offence. He was at that time arrested upon a King's Warrant, and placed under the custody of a King's Messenger, who in bringing him to town from Bath, stopped at the Black Bear at Reading to sleep. The Messenger had inadvertently permitted WALL to let a Lady accompany him, under pretence of being his wife; and in the night they contrived to effect his escape, which was done by letting WALL down from the window by tying the sheets together. Wall was never since heard of, till lately seen at Paris.

On the evening of Thursday, May 13, 1914, some of these "wild women", as they were known, travelled to a country area called Ravenhurst, some four miles from the centre of Birmingham. The visit of these female incendiaries resulted in the cricket pavilion belonging to the Oratory School, then at Edgbaston, being razed to the ground and all the framed records of outstanding exponents of the game being destroyed.

A day or two later, on arriving at their headquarters in the city, the Suffragettes discovered that their own building had been mysteriously wrecked. Birmingham was, of course, out of bounds to the school, but Oratory boys have never been beyond a spot of "tiddling" (i.e., breaking bounds) even when the honour of the school was not at stake. I am, Sir, your obedient servant,
A. J. CORNWELL (Honorary Obliterator),
The Oratory School,
Woodcote,
via Reading, Berkshire.
February 23.

Return match

From Mr A. J. Cornwell

Sir, Your account of the activities of the Suffragettes (*On This Day*, February 21) prompts this recollection, given to me by a former pupil of the Oratory School.

On the evening of Thursday, May 13, 1914, some of these "wild women", as they were known, travelled to a country area called Ravenhurst, some four miles from the centre of Birmingham. The visit of these female incendiaries resulted in the cricket pavilion belonging to the Oratory School, then at Edgbaston, being razed to the ground and all the framed records of outstanding exponents of the game being destroyed.

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THE TIMES INFORMATION SERVICE

This selective guide to entertainment and events in Britain appears from Monday to Friday, followed every Saturday by a preview of the week ahead. All material should be sent to The Times Information Service, PO Box 7, 1 Virginia St, London E19 3XN

BOOKING KEY ★ Seats available ★ Returns only

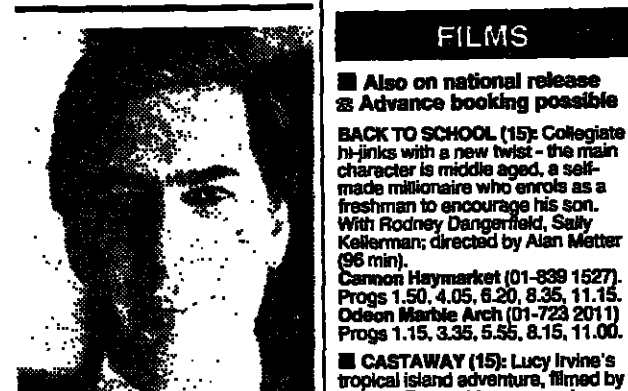
THEATRE
LONDON

★ **KATHIE AND THE HIPPOPOUTAMUS:** The uses of fantasy in a travel writer's diary. Almeida Theatre, Almeida Street, London N1 (01-355 4404). Tube: Highbury and Islington, Mon-Sat 8-10pm, 25, until March 28.

★ **LADY DAY:** Dae Dee Bridgewater sings the sad tale of Billie Holiday. Dominion Theatre, 41 Earlham Street, London WC2 (01-240 8230). cc 01-379 5555/5433. Tube: Covent Garden, Mon-Thurs 8-10.10pm, Fri and Sat 8-10.10pm and 8.30-10.40pm, 25-27, until March 7.

★ **LILLIAN:** How Lillian Hellman played her part in Hitler's downfall and promoted her image. Starring Frances de la Tour. Last few days. Fortune Theatre, Russell Street, London WC2 (01-355 2238). Tube: Covent Garden, Tues-Sat 8-10.10pm, matinee Sat 3-5.10pm, 25-27, until March 7.

★ **THE STORY OF YOUNG:** Revival of John Hodge's powerful exposure of a bad cop's breakdown, starring David Suchet. Hampstead Theatre, Swiss Cottage, London NW8 (01-722 9301). Tube: Swiss Cottage, Mon-Sat 8-10.40pm, matinee Sat 3-5.40pm, 25-27, until March 7.



Mario Vargas Llosa is the author of the play *Kathie and the Hippopotamus* at the Almeida (see listing) but he is probably better known as a novelist. Either way, he is one of South America's leading contemporary writers. His latest novel, *The Real Life of Alejandro Mayta*, is set in his native Peru in the near future and chronicles a country being torn apart by internal feuds and pressures from without.

★ **LONG RUNNERS:** The Business of Murder: Mayfair Theatre (01-629 3036). ★ **Cats:** New London Theatre (01-405 0072, cc 01-404 4079). ★ **Chorus:** Prince Edward Theatre (01-734 8851). ★ **42nd Street:** Drury Lane Theatre (01-355 5108/9, cc 01-240 9068/7). ★ **Life and Death:** Prince of Wales Theatre (01-335 7811/7356 and 01-240 7913/4). ★ **Les Miserables:** Palace Theatre (01-334 8893). ★ **The Mousetrap:** St Martin's Theatre (01-336 1443, cc 01-379 6433). ★ **No Sex, Please, We're British:** Duchess Theatre (01-489 2123). ★ **Sold out until October:** Her Majesty's Theatre (01-335 2244, cc 01-379 6131, 01-240 7200). ★ **Starlight Express:** Adelphi Theatre (01-580 8965, cc 01-580 8962). ★ **Stepping Out:** Duke of Yorks Theatre (01-335 5122, cc 01-335 9837). ★ **Time:** Dominion Theatre (01-580 8845, cc 01-585 2428).

OUT OF TOWN

★ **LEICESTER:** ★ **Nedda Gabler:** Stan Thomas as the trapped heroine in a stylish production. Haymarket Theatre, Belgrave Gate (0533 539757) Mon-Thurs 7.30-10pm, Fri-Sat 8-10.30pm, matinee Sat 4-6.30pm, 23.50-27.50, until Feb 28.

★ **MANCHESTER:** ★ **March of the Falsettos:** Zippy, witty musical by William Finn concerning the home life of New York lesbians.

FILMS

★ **Also on national release** ★ **Advance booking possible**

★ **BACK TO SCHOOL (15):** Collegiate fun-fests with a new twist - the main character is middle aged, a salesman who encourages his son, with Rodney Dangerfield, Sally Kellerman, directed by Alan Metter (96 min). Cannon Haymarket (01-339 1527). Odeon Leicester Square (01-722 5811). cc 01-379 5555/5433. Progs 2.00, 5.00, 8.15, 11.15.

★ **CASAWAY (15):** Lucy Irvine's tropical island adventure, filmed by Nicolas Roeg with pretty and evocative pictures, but little narrative drive. With Oliver Reed and newcomer Amanda Donohoe (118 min). Cannon Fulham Road (01-370 2636, cc 01-373 6990). Progs 2.00, 5.00, 8.15.

★ **CHILDREN OF A LESSER GOD (15):** Mark Medoff's Broadway hit, decently filmed as Rachel Haines, with William Hurt as the teacher of deaf adolescents involved emotionally with a problematic pupil (Marlee Matlin) (113 min). Cannon Fulham Road (01-370 2636, cc 01-373 6990). Progs 2.00, 5.00, 8.15.

★ **EMPIRE LEICESTER SQUARE (01-437 1234, cc 01-240 7200):** Progs 1.00, 3.00, 6.00, 8.30, 11.15.

★ **COMING UP ROSES (PG):** Modest, endearing Welsh-language film about the closure of a small town cinema. Directed by Stephen Beatty with a touch of the old Ealing spirit (84 min). Cannon Tottenham Court Road (01-336 6148). Progs 1.35, 3.30, 5.30, 8.15, 11.15.

★ **ON THE HILL (01-435 3365):** Progs 5.00, 7.00, 9.05.

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THE ARTS

Digging dustily

A repeat of the *Chronicle* programme *Life and Death in Ancient Egypt* (BBC2) offered a second chance to see some of the archaeological collection donated by Sir Flinders Petrie to Manchester Museum, and that city's continuing endeavours to wrinkle every last scrap of information from the human remains and artefacts. A leathery mummy had its cranium probed, revealing a coeval beetle in the preserving resin; dust drilled from pots had its elements analysed to determine whether the clay originated from point A or point B. "Not everyone has a nuclear reactor", one prof observed, not without satisfaction.

The examination of lung damage and tooth trouble in ancient Egyptians reminded one forcibly of an *Indelible Evidence* episode conducted unconsciously long after the event. Perhaps our age will go down to posterity as that which deployed the most sophisticated resources on the most mundane enquiries.

Also on BBC2, the spirit of anthropological research took 40 Minutes to Stargis, South Dakota, where the annual motor-cycle races attract a

TELEVISION

gathering 10 times more numerous than the town's population. One gang (club, rather) named The Sons of Silence belied their title by telling the camera exactly why they like to spend their time doing what comes naturally: mud-wrestling, hatchet-throwing, Budweiser-guzzling and similar types of hippy braggadocio. A cabaret person called Muck spent a long, slow time translating for our benefit the puppy-Latin of the Sons' insignia, which means something like "You're Beyond the Grave, Pal", and his fellow enemies of the banter's chair — Dirty, Male et al — queued up to throw out their "philosophy" of racialism, patriotism and other forms of ugly sentimentality. How very normal they seemed.

This documentary began with a delicious cheat, as a long-shot of an empty small-town high street at dawn throbbled with the menacing voice of a powerful engine — which proved to be that of a street-cleaning truck. What followed was highly watchable and often amusing, but there was no apparent reason why the blikers' expletives should have been deleted on the sound-track.

Martin Cropper

Transplant of real sensitivity

CINEMA

Children of a Lesser God (15)
Empire

Gothic (18)
Lumiére

Keisuke Kinoshita
National Film Theatre

Nanou (15)
Curzon Mayfair

The Fantastist (18)
Warner West End

Back to School (15)
Odeon Marble Arch

Early in the century, entrepreneurs discovered a quick way to graft respectability on to vulgar cinema: film some theatrical worthy — Beerbohm Tree or Bernhardt — miming a classic text. Near the century's end, the gambit still applies. Anxious to woo back adult audiences lost in the teen movie stampede, Hollywood has rediscovered the straight Broadway play. Burt Sugarman and Patrick Palmer, producers of *Children of a Lesser God*, have been separately responsible for four other recent screen transfers, among them *A Soldier's Story* and *Agnes of God*. These are the kind of literate, liberal entertainments that collect Oscars. *Children of a Lesser God* has been nominated for five, including Best Picture, Best Actor and Best Actress.

Mark Medoff's play — a Tony Award winner in 1980 — concerns deafness, and, beyond that, the difficulty of all human relationships. A bright-eyed teacher at a school for the deaf falls in love with Sarah, a former pupil who lives in angry isolation, refusing to learn to speak. The breakthrough never happens: apart from a few squawks, the heroine — excellently played by Marlee Matlin — communicates her complex moods of fear, pride, loneliness and passion entirely through signs. Herein lies a fundamental problem: since the film, like the play, aims for the mass audience and eschews sub-



Delirious excess and atmospheric frenzy in Ken Russell's *Gothic* as Shelley (Julian Sands) confronts the deathly cobwebs

titles, Sarah's every sign is verbalized on her behalf by her hearing partner, who speaks both sides of the conversation. In a sound, fluent performance, William Hurt valiantly tries to make the theatrical device appear natural.

As with most stage transfers, the material is bodily transported, not reinvented for the screen. Yet the removal job has been well done. Acting throughout boasts the stamp of authenticity (10 leading players, Marlee Matlin among them, suffer impaired hearing); and the director, Randa Haines, shows the same sensitivity that uplifted her television movie on incest, *Something About Amelia*. There is also much to appreciate visually: the cameraman, John Seale (Peter Weir's partner in *Witness* and *The Mosquito Coast*), laps up the remote seashore setting, and swerves into ecstatic lyricism whenever the lovers go swimming. Such moments heighten the film's tendency to forsake the nuts and bolts of deafness for the familiar pleasures of an off-beat romance.

At this late date, there seems little point in chastising Ken Russell for his delirious excesses; better by far to ponder how the fixed trade marks — the swirling camerawork, the phallic images, the truncheon-blow subtlety — suit the chosen subject. In theory

Gothic offers the director an ideal stomping-ground. The setting is Byron's Villa Diodati during the wild storytelling session of June 1816 that resulted in Mary Shelley's *Frankenstein* and Dr Polidori's story *The Vampire* — corner-stones of fantasy literature and cinema. In previous biographical extravaganzas, Russell had to colour some facts to suit his thesis; but *Gothic* required no cheeky writer to inflame the characters' interecine passions, guilts and drinking habits.

Ironically, the very suitability of the material proves the film's downfall. Without any urgent need to sustain an argument, Russell strives to exist on atmospheric frenzy alone. Furious lightning, practical jokes with leeches, rats and cobwebs in the basement, automaton playthings, bellowing music: everything is whipped up into a heady stew where noise and fury mask a terrible intellectual vacuum. Not surprisingly, the poor actors — Gabriel Byrne and Natasha Richardson among them — screech and stumble through their roles; only the cameraman, Mike Southon, shows his mettle, plucking plush, burnished images from the depths of nightmare.

Refugees from *Gothic* should find a haven in the National Film Theatre's salute to Keisuke Kinoshita — a fine director little known in the West. Kinoshita is a man for

all genres: domestic dramas carved from Japan's postwar malaise, period epics soaked in folklore, comedies both bitter and gentle. His style never ossifies. In one film the camera is poised and placid; in another it tilts like a drunken sailor. Elsewhere, Kinoshita seeks a visual rapprochement with the past by encasing the image in a medallion frame (*You Were Like a Wild Chrysanthemum*) or using Kabuki artifice (*The Ballad of Narayama*, which opens the season on March 3).

Yet this adventurous chameleon can still claim his own touch and obsessions. He loves the travelling shot, the conjugation of figures and landscapes; he shows a deep concern for Japan's social fabric, and treats female characters with special delicacy. Films like *Narayama*, *Carmen Comes Home* and *24 Eyes* are among world cinema's hidden treasures; do not miss this chance to enjoy them.

In Nanou an inexperienced English girl on the brink of college decides to visit a seductive Frenchman met on a train; that much of Conny Templeman's first feature is beautifully, crisply told. Once Nanou (Imogen Stubbs) moves in with her scruffy, chauvinistic Luc (Jean-Philippe Ecoffey, glowering with animal magnetism), the girl's will-power shrivels: she

meekly joins in his vague anarchistic acts, offering only the odd face-slap in defiance. Both characters become maddening. This remains, nonetheless, a promising debut for Templeman — a National Film and Television School graduate — directs her wispy story with an unhurried eloquence rare in the age of razzle-dazzle.

"Take this home — blow it up at your leisure", says the heroine's fellow-teacher in *The Fantastist*, proffering a balloon. As the plot about a Dublin multiple killer thickens, he is joined by other strange chaps (a mixed-up American, a one-legged inspector), though the focus remains on Patricia — the new girl in town, tempting fate with her susceptibility to men.

Moira Harris holds centre-stage admirably, but the film remains a thriller more full of show than substance. Robin Hardy directed — adding one further twist to a bizarre career embracing study with Matisse, aluminium commercials and the cult hit *The Wicker Man*.

Last and very least, *Back to School*, in which pop-eyed Rodney Dangerfield plays a middle-aged freshman, waddling through the weak jokes of seven credited writers. America did not seem to mind: the film came seventh in last year's line-up of box-office champions.

Geoff Brown

CONCERTS

BBCSO/Panufnik
Festival Hall/

Andrzej Panufnik's new autobiography, *Composing Myself*, is aptly titled, since his entire symphonic output expounds his beliefs, hopes and fears for society. Mostly it has been fears, but his new Ninth Symphony, commissioned by the Royal Philharmonic Society, is subtitled "Sinfonia di speranza", and in writing it the composer says he found himself "attempting to revive the springs of hope".

As usual with this tidy thinker, philosophical ideas are translated into music via a symbol of both metaphorical and mathematical usefulness. Here he chooses the rainbow, that venerable sign of Nirvana just around the corner. Unlike Noah and Judy Garland, however, Panufnik is also interested in the rainbow as a demonstration of "the laws of geometric optics". He ingeniously adapts these laws, so that they suggest both his basic musical material and also the shape of the entire 40-minute span. Like a rainbow this moves through a prism, from "warm" instrumental colours to "cold" ones, and back again.

He also sets himself the tricky task of binding the work together with a continuous melodic line, shaped into 12 "arcs" which are differentiated by their instrumentation. If this sounds complex, you should have seen the diagram accompanying Pan-

Smith/Varcoe/
Johnson
Wigmore Hall

Hugo Wolf was not the only one to dip into the *Spanish Songbook*. The German Romantic translations of Geibel and Heyse which so appealed to Wolf had previously caught the ear and eye of Brahms, Schumann and Jensen. It was, not surprisingly, Grahame Johnson who brought the fact to our notice in a neatly devised programme for the voices of Jennifer Smith and Stephen Varcoe.

The Latin fires of sacred and secular love originally kindled by poets like Cervantes and Lope de Vega are here already twice tamed: by their translation in the *Songbook* and by their musical crystallization. When performers so quintessentially English as Smith and Varcoe approach them, the temperature is likely to drop a further few degrees. So it did at the start of the evening when both singers had

ufnik's programme-note. In practice, though, it amounted to a very old friend: the musical palindromes. A slow string tune in octaves, transferred to woodwind and then to brass, gives way to desolatory choral passages for solo and tutti strings. This leads to a violent middle section, full of crunch and grotesquerie. Then the music reverses out, so the original octave string tune provides an epic conclusion.

The obvious implication is that we have passed victoriously through a kind of nightmare. Yet I found Panufnik's nightmare music — with its brass flutter-tongue effects, its stuttering string ostinatos and its gradual fragmentation into clipped explosions — a good deal more enjoyable than the supposedly "uplifting", but rather staid, music on either side. In any case, the symphony seems rather ponderously conceived. The opening, where the note E is played slowly 12 times by unison strings, is typical of a misconceived portentousness.

Some ragged tutti rhythms apart, the BBC Symphony Orchestra gave a lively performance under the composer's direction. Earlier the orchestra had been in routine form for Mozart's Symphony No 35, directed by last year's Leeds Conductors' Competition winner, Grant Llewellyn. He obtained more polished accompaniments in Hummel's *A minor Piano Concerto*, where Stephen Hough gave the shallow but relentlessly virtuosic passagework swift and spirited execution.

Richard Morrison

to work hard in order to match Johnson's intensive investigation of Wolf's piano-writing. A sprinkling of more light-hearted, worldly love-songs, set by Jensen, Brahms and Schumann, relaxed voices and fingertips. Smith used the bright light of her soprano to find just the edge of torment in jollity for Jensen's tumbourine song, "Klinge, klinge, mein Panderer", and just the right sense of tender distraction for Brahms's version of "In dem Schatten meiner Locken". Varcoe, in turn, loosened up considerably with Schumann's "Contraaltiste", though his voice did sound too often almost as tired as the smuggler's horse.

After the interval Wolf stood alone. A dozen songs from his own *Spanisches Liederbuch* included a stinging "Bitt' ihn, O Mutter" from Smith, with Johnson's fingers shooting out Cupid's arrows thick and fast, and a brave crack by Varcoe at "Wenn du zu den Blumen gehst".

Hilary Finch

THEATRE

High Society
Victoria Palace

From the Leicester Haymarket, that teeming womb of supernaturated musicals, there now issues a sumptuous exercise in geriatric plastic surgery: a piece new to the stage, extracted from Philip Barry's *The Philadelphia Story* and reconstructed by Richard Eyre with additional dialogue and numbers from half a dozen other Cole Porter shows. The result is a streamlined piece of story-telling, in which every number and dance routine advances or expands the narrative, and which offers at least full advantage of post-*Oklahoma!* stage technique. *Kiss Me Kate*, in comparison, takes you back to the days of the bow and arrow.

In common with much of Barry's work, *High Society* is devoted to showing the rich in a favourable light; to which end it brings on a pair of cynically hard-boiled intruders to gatecrash a society wedding and shed their prejudices.

All musicals, Mr Eyre remarks, are either love-stories or fairy-tales; and the fairy-tale treatment is certainly needed to make this one stick. In any bare summary of the plot, Tracey, the bride, would emerge as a cold-blooded prig, who has deservedly lost her first husband and is getting what is coming to her in his bone-headed successor. Like a reporter and girl photographer from a snatch magazine, would appear as sneering outsiders, avid to switch their allegiance as soon as they get into the fast lane.

No such judgements are invited by the characters as they actually appear. Without distortion, their edges have been blurred. Tracey may bitch her little sister and her erstwhile spouse, and sweep in



Natasha Richardson: an ice-maiden of invincible charm

on the visitors with torrents of finishing-school French; but, as played by Natasha Richardson, she also carries an invincible charm that lets you know she is simply going through a difficult phase in fairy-tale terms, an ice-maiden ready to melt. As for the parasitic visitors, Stephen Rea and Angela Richards (both kitted out in square-shouldered, striped suits) give them almost the vulnerable appeal of orphans at the ball — as, for instance, in their averted duet of "Who Wants to be a Millionaire?" while playing catch with the array of millionaire's goodies stacked on the mansion tables.

For a man who is later to make a heavy pass at the leading lady, Mr Rea rather overdoes the vulnerability, and comes over not as a sharp, Sinatra-like predator but as a gauche outsider who keeps his hat on simply because he does not know the rules. However, the odd lapse of that kind is all in the interest of the developing social harmony; to which the production contributes from the opening chorus of "How Do You Spell Ambassador?" by the illiterate stenographers of *Spy* magazine, immediately followed by

a scene-change to the mansion where it appears that the rich cannot spell either.

For a story that depends so much on charm there is not much scope for wisecracks or any kind of aggressive comedy. The book, for this reason, has its flat patches. But they are relieved partly by sudden bursts of comic fantasy ("Good morning sir", someone remarks to an elderly drunk. "You look like a treacherous owl"), and by the wit and zest of the spectacle.

"What a Swell Party" is the occasion for Tracey to come alcoholically out of her shell, winding up in a diner where characters of high and low degree go jointly bananas in "Now You Has Jazz", beginning with unaccompanied finger-snapping and ending with the full resources of David Mellor's merry men and a berserk waitress prodigally pouring sugar over the heads of the dancers. This scene, like many others, owes much of its impact to John Gunter's superb chrome and plastic design — a pop-art tribute to the world of Edward Hopper. Elsewhere Gunter evokes a nocturnal cityscape for "In the Still of the Night" (Miss Richards on top form), and a pastel landscape with a park bench which turns into the deck of a yacht for the long-strained lovers' duet "True Love".

The tone of the production is calculated to a hair's breadth: on the point of overbalancing into emotional slush, it invariably escapes with a slight gag, a deflating line or a deft change of mood. Even the tap-dancing church congregation at the happy end are undercut by the magazine proprietor arriving for a quick photographic snatch. If any performance sums up the prevailing atmosphere it is Trevor Eve's light, quick-witted Dexter — the tormented first husband, a figure who never steps outside a bantering idiom, but leaves you feeling his heart is in the right place.

Irving Wardle

Hair's breadth

Mark Brennan meets a clean-shaven Peter Cook, star of the film version of *Whoops Apocalypse*, which opens in London next week

Peter Cook: "The only thing I felt absolutely certain about was that I had to have a moustache"

some of his earlier comic creations. "It was nice to play this absolutely confident person — very, very confident, and obviously right", he says, assuming Sir Mortimer's supercilious tone of voice. "I let my moustache do the work actually. The only thing I felt absolutely certain about was that I had to have a moustache. I don't think Anthony Eden would have invaded Suez if he hadn't had a moustache. Look at Margaret Thatcher — a triumph of the depilator's art. Moustaches give you the confidence to invade people."

Quite what the Americans will make of *Whoops* rivalry is open to debate. "When last there", Cook offers unpromptingly, "I was struck by this tremendous, pompous reverence they have for the 'office' of the



President, as it's called. Irrespective of whether they like him or not there's something sacrosanct about it." His voice takes on a note of incredulity. "And as soon as a major crooked conspiracy is found out, by accident usually, they always say 'It proves the system works'."

Cook's association with Central Europe, on the other hand, goes back a long way, he claims. An ally to leaders was enough to exempt him from National Service ("I told them 'If there's an emergency you will get in touch, won't you?'"), and at 19 he travelled to Berlin, filling in time before Cambridge and certain fame with the Footlights. Falling asleep on the S-Bahn one day, he woke to find himself in the East and

duly left to take a look around. "I was the archetypal football hooligan before it became fashionable", he recalls. On being challenged by burly, greatcoated soldiers, "I said I wanted to defect because in the West we couldn't get these wonderful cardboard shoes and bits of string they were all queuing up for. I was such a prat." The fact apparently did not escape the authorities, who briefly imprisoned him but were ultimately only too grateful to drive the precocious youth back to his hotel in the West.

However, Cook would clearly much rather talk about football than such weighty matters. A Torquay United fan since the age of six, he extols their recent undefeated run of three matches which had briskly elevated them to next-to-bottom position in the fourth division. Sadly, mighty Preston cruelly halted that run. In his youth he even rose to the vertiginous height of President of the Junior Supporters' Club, upon which the team earned relegation from the third to the fourth. Assuming himself to be some kind of footballing evil eye, Cook did the right thing and quit. His adopted London side, Spurs, have generally spared him such anguish.

His other passion in life is *Private Eye*, for which he still writes and in which he retains a 70 per cent shareholding. Cook looks back with sorrow and distaste on the recent Maxwell case, choosing only to remember the words of his barrister, on being asked if he wished to say anything in reply to the prosecution counsel's tediously long-winded summing-up speech: "M'lud, I never want to say anything about anything ever again."

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Knocking on Europe's door



Some time this year Turkey will present Western Europe with a difficult decision: it is going to make a formal application for membership of the European Community. Mr Turgut Özal, the Turkish Prime Minister, has been saying for some time that Turkey wanted to become a full member — it already has an associate status — and he has now announced publicly that the application will be made in 1987.

He told me in a recent interview that no decision had yet been taken on the exact timing. It could be, as he put it, in one week's time or on December 31, or any time in between. But it would be this year.

Mr Özal and his government have been left in no doubt about the objections that are likely to be raised. They range from the hostility of Dr Papandreu's Greece to more general doubt about democracy and human rights in Turkey.

On the economic front, the Community as a whole would have great difficulty in absorbing a country so large and relatively poor as Turkey, especially as it is still coming to terms with the entry last year of Spain and Portugal.

The Community's response to a Turkish application will need to be carefully considered, however, and will have to be constructive. Turkey is not just a backward country with a less than perfect democratic system. It has an economy that is now developing quite fast, even if it still has shortcomings, and it is a member of Nato, occupying a key strategic position between Europe and the Middle East, and with a sensitive border with the Soviet Union.

Moreover, many Turks see EEC membership as a means of protection, not just against a return to military rule, but against a reversion to a more fundamentalist form of Islam. A European rebuff could produce a reaction that would not be in Europe's interest.

In Ankara membership of the EEC is in fact a matter, not just of foreign or economic



Turgut Özal, the Turkish Prime Minister, and his wife, Semra, are devout Muslims, but Mrs Özal has campaigned publicly for women's rights and made no secret of her opposition to fundamentalism. Right, a worshipper leaving the courtyard of the Blue Mosque in Istanbul

policy, but almost of national identity. In spite of their origins in Central Asia, of the fact that they are an overwhelmingly Muslim country, and of having the greater part of their national territory in Asia, Turks generally, at least in the opinion-forming classes, feel that they are, and should be, Europeans. The main opposition parties agree with the government on the need to join the EEC.

Officials delve far back into history to argue that Turkey has played an important part in European affairs for centuries. Dr Ali Bozer, the Minister of State with responsibility for EEC affairs, says that as long ago as 1839, when a Sultan still ruled and some measures of political reform, admittedly short-lived, were

Sensitive border with Soviet Union

introduced, Turkey had shown its desire for democracy and westernization. Later there had been the sweeping reforms introduced by Atatürk after the First World War, which had removed the influence of Islam on state affairs and made Turkey a secular state.

There had been interventions by the army since then, he admitted, the most recent being the 1980 coup. But over the period as a whole there had been a continuing process of democratization, in spite of military interventions, which demonstrated Turkey's affinity to Western Europe.

FACT FILE

- Area: 300,948 sq miles
- Population: 51 million
- President: Kenan Evren
- Prime Minister: Turgut Özal
- Ruling party: Motherland Party
- Per capita income: \$1,000
- Inflation: 30 per cent
- Number of tourists: 2 million

There is, in fact, no doubt that since the days of Atatürk, Turkey has been a Muslim country with a difference. Islamic law has been replaced by a secular system drawn from European models, the Turkish language is written in Roman script, and Islam has been reduced to a matter of private, rather than public, morality.

More recently, Mr Özal has set out to modernize the Turkish economy and link it more closely with the Western system, by reducing protectionist barriers to trade and significantly building up Turkish exports.

But during the past year, almost as if to counterbalance Turkey's approach to the EEC, there has been a significant upsurge of pressure to put the whole process of secularization into reverse. Fundamentalist groups have suddenly emerged from clandestinity, with calls for a restoration of an Islamic state and Islamic morality, and this has led to a national debate.

For westernized, secular-minded Turks, the fundamentalist upsurge is profoundly disturbing. In Ankara and Istanbul there is apprehensive talk of a step back from the reforms instituted by Atatürk, and a reversion to an Islamic state on an Iranian or Gulf model. There are indications that members of the Özal government have encouraged the trend, with pressures on civil servants in some ministries to conform to strict Islamic tenets.

In the universities attention has focused on the black headscarf, which fundamentalist Islam requires women to wear and which has become a badge of adherence to the movement.

With money to spend, often

Left-wing union group closed

from similar bodies in Iran or the Arab countries, fundamentalist groups have been offering places in their hospitals to students from poor families, and this means that whereas fundamentalism used to appeal largely to the poorer classes, it is now making inroads into the educated elite.

There are grounds for thinking that, for the time being at least, fears of the march of fundamentalism are exaggerated. That certainly is the view of Mr Özal, who told me that he saw no danger of Turkey becoming an Islamic state on the Iranian model.

There were many devout Muslims in Turkey, he said, in fact probably more than in some Arab countries. But the fundamentalists were only small, extremist groups.

Not everyone is so unconcerned, however, and it is clear that the Army, guardian of the Atatürk tradition, is worried. President Kenan Evren, leader of the 1980 coup, gave a public warning of the danger in a speech last month; and the Army is not expected to stand idly by if it sees things getting out of hand — which could cause problems of a different sort for Turkey.

Meanwhile, Turkey is none the less continuing to return to greater political normality after the military coup of 1980. A set of by-elections, held last September in a representative set of constituencies, provided a dress rehearsal for the coming general election, due to be held by November 1988 at the latest.

Mr Özal's Motherland Party suffered from the effects of its economic policies, which have reduced the earnings of many, particularly farmers, and did less well than it had done in the past, though it won six of the 11 seats.

By contrast, the True Path Party, inspired but not formally led by Süleyman Demirel, the former Prime Minister, did better than expected and showed that it was now a dangerous rival to the Motherland Party.

The left was weakened by its division into two parties, the Social Democrat Populist Party led by Erdal İnönü and

the Democratic Left Party, which is inspired by Bülent Ecevit, also a former Prime Minister, but which is led by his wife, Rahsan Ecevit, because he, like Mr Demirel, is banned from taking part in politics.

In spite of the resurgence of political activity, however, there are still signs that all has not returned to normal. There is the continuing ban on Mr Demirel, Mr Ecevit and others, which has led to a string of court cases against them because of their frequent campaign appearances, and, in Mr Ecevit's case, a one-year

prison sentence, against which he will appeal.

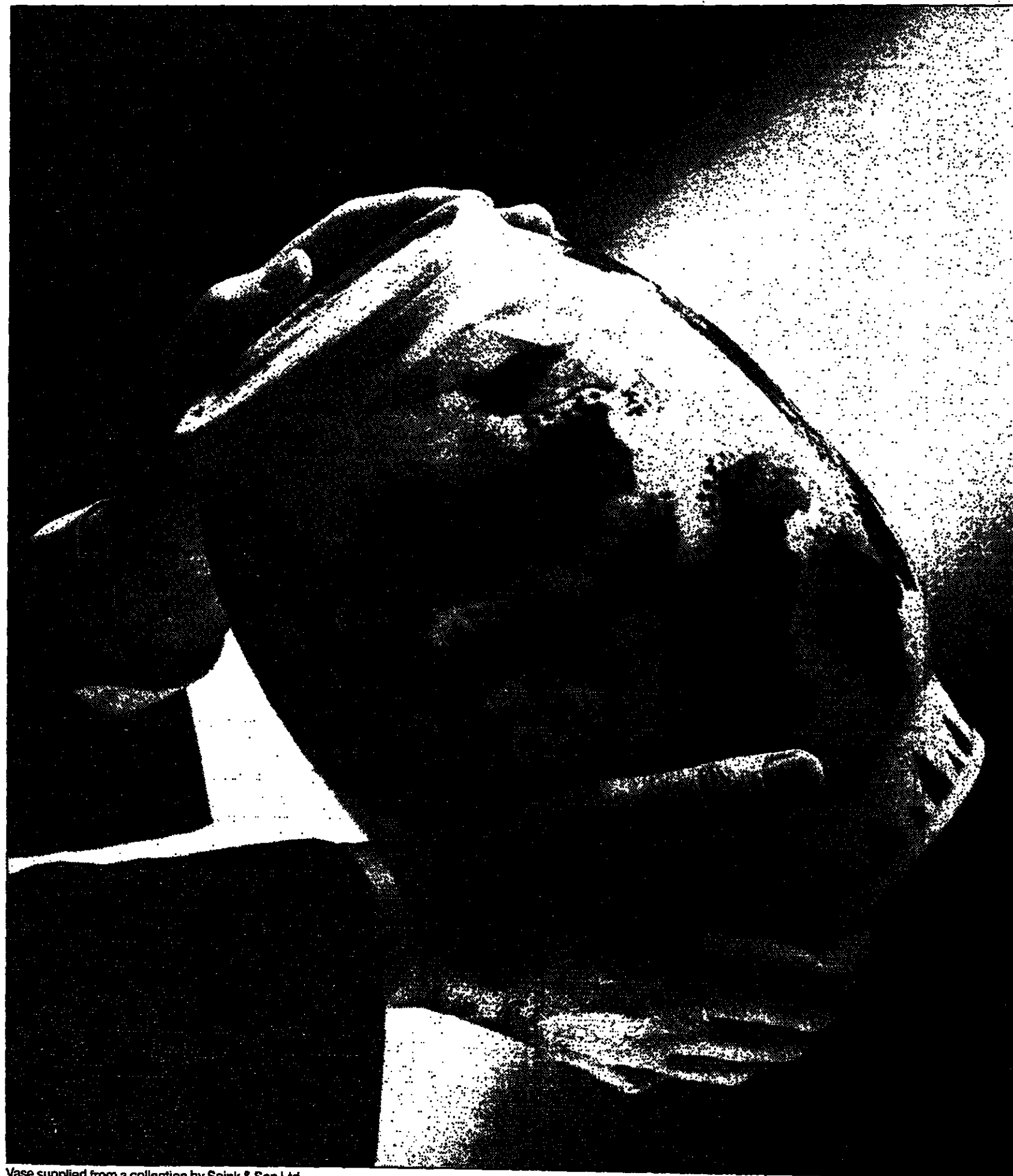
There was also a recent court decision that closed down a left-wing trades union confederation, DISK, and sentenced its leaders to prison terms of between five and 15 years — against which there will also be an appeal. At the same time, cases of torture continue to come so light, though Mr Özal insists that action has been taken to prevent it, and that no recent cases are from his period in political office.

Human rights will therefore be an issue when the European

Community considers its reply to Turkey's application. But the Turkish government has made a considerable effort to remove the grounds for criticism; and it recently announced that for the first time Turkish citizens would now have the right of individual recourse to the European Human Rights Commission.

So as it presents its case, Turkey will be arguing that it has made progress in many fields, and that this, taken together with its European and Atlantic credentials, qualify it for membership.

Peter Strafford



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FOCUS

TURKEY/2

A phone in every village as progress marches on

The "Turks", wrote Lamar-tine after a voyage in the Orient in 1832, are in my opinion the first and the worthiest among the peoples of their vast empire: their character is the noblest and the most elevated; their courage is intact; their religious, civil and domestic virtues combine to inspire esteem and admiration in any impartial mind.

The vast empire became officially part of Europe on March 30, 1856, when the Treaty of Paris, which put an end to the Crimean War, gave effect to the desire of the European powers that "the Sublime Porte should share the advantages of the European concert".

The Turkish virtues, on the other hand, are now being put to the test as Ankara makes clear its desire to become a full member of the European Community.

The desire is hardly reciprocated in Brussels. In 1963, Walter Hallstein, President of the EEC Commission, declared that "Turkey is part of Europe". But today, more than 20 years later, a Turkish application is still considered inopportune in Brussels, where fears derive from three unspoken, but undeniable facts: the Turks are many; they are comparatively poor; and they are Muslims.

Turkish population growth has been rapid. When the Republic was proclaimed in 1923, its population was hardly 12 million. Last year it was 51.4 million. By the end of the century there will be at least 70 million Turks.

Poor by standard of Europeans

So Turkey would then be the most populous country in the Community, and the population of the Istanbul conurbation alone would probably approach that of the whole of Greece.

While Turkey is still poor by European standards (with a



gross national product per person of some \$1,000), the adjective "developing" applied to it is not a euphemism for "backward".

Life is changing fast in villages, as well as in towns. By the end of this year every single village will be connected to the electric grid. By the end of next year Mr Turgut Ozal, the Prime Minister, has promised that there will be no village left without a telephone.

The look of the country is changing. A brand new city has sprung up on the bare plateau west of Ankara. Called Bakanlik (meaning West-town), it was built by a cooperative which received first prize from Prince Charles last year. To the south of the capital, large blocks of flats have been built on hills lying outside the smog zone.

Blocks march like an advancing army along the sunny Mediterranean coast, west of Mersin. Factories line the motorway between the port of Mersin and Adana, the chief town of the cotton-growing Cilician plain.

Some of the work is admirable, like the open spaces and coastal roads in Istanbul, and the cleaning-up of the Golden Horn, which had



President Evren: Stern warnings against "reaction"

degenerated into an open sewer. But inevitably much of the building is of modest quality, and reflects the taste of the growing and politically influential lower middle class of recent village origin.

It is this class which is most fervent in its Muslim faith. Today the first fruits of prosperity are new mosque buildings in town and country.

Is there a Muslim revival in Turkey today? Or is it simply that religious feelings, which have always existed, have become more evident?

According to a recent survey, carried out for the Istanbul daily *Milliyet*, only 7 per cent of the people want the introduction of the Islamic sharia law, which is demanded by fundamentalists and expressly excluded by the Turkish Constitution.

According to the same survey, 18 per cent of all Turks perform the five daily canonical prayers, and as many as 54 per cent keep the month-long Ramadan (Ramadan) fast. So the general picture is one of prevalent religious feelings, which achieve total consistency (for the sharia is part of Islam) only in a minority.

But it is the future which is worrying the secularized middle class. *Milliyet* research shows that one in five of all students in secondary education are to be found in religious schools, whose official purpose is to train imams and preachers.

Over the objections of the secularists, a mosque is being built in the grounds of the Turkish Grand National Assembly in Ankara.

It is because of this that President Kenan Evren, who speaks for the strongly secularist military establishment, has issued stern warnings against "reaction", while military academies continue to refuse cadets from religious schools.

But on the other hand the 1982 Constitution, introduced by the military, provides for the first time for compulsory instruction in "religious culture and morals" in primary and secondary schools. This, say left-wing critics, was an attempt to use religion as an instrument of social control.

The fact is that, whatever the purposes of the military,

Family tradition in Islamic mould

the prevalence of traditional religious values is helping keep Turkish society on an even keel.

I recently visited the new campus of the university of Bursa. Thousands of students were milling round, memorizing or resting from memorizing a set of text-books, which is what their education amounted to. There were few clubs or extra-curricular activities. The lucky ones had cheap beds in crowded dormitories.

Was there a problem of drugs, rebelliousness or delinquency? There was not. The repression of student militancy after the military takeover in 1980, the fear of unemployment, the will to succeed in a hard world, provided good reasons for the students' patience, but so too did a family tradition moulded by Muslim religion. In the end, it may be Turkish seriousness, rather than Muslim fanaticism, which will pose the greater challenge to Europe.

Andrew Mango

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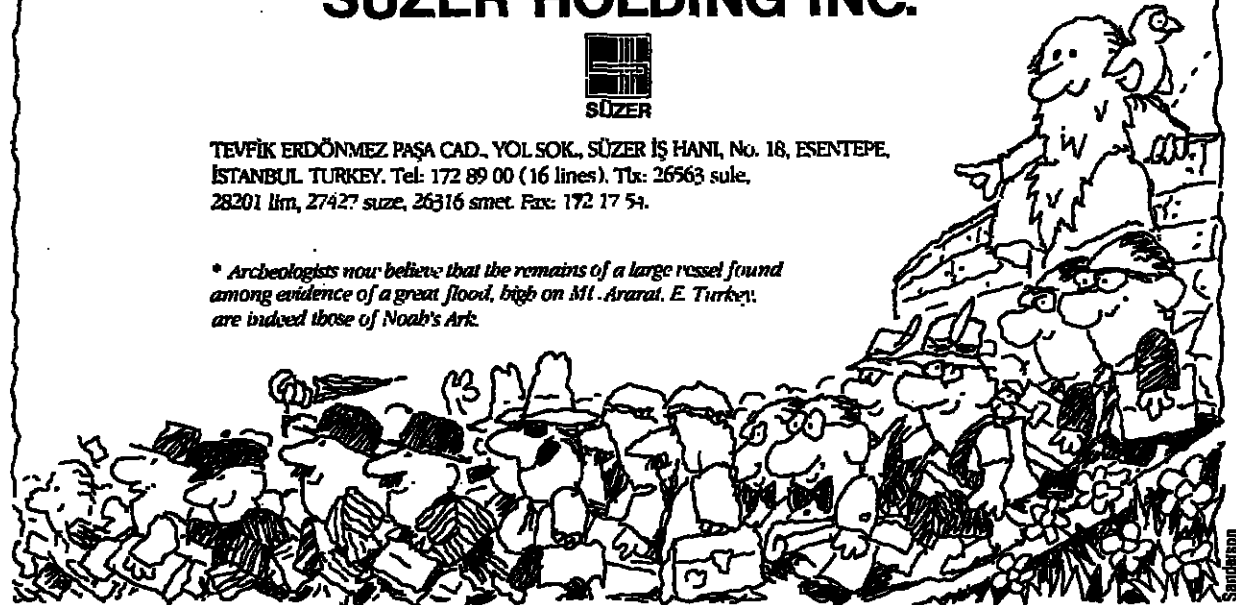
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Expansion goes on but the debt grows



It is now eight years since Turgut Ozal first warned the Turks that three years of austerity were needed to turn round the Turkish economy. After three years—during one of which he had been out of office—he again was saying that three years of austerity were needed. His theme is the same today.

It needs to be. What is often considered an International Monetary Fund success story is beginning to take a sad twist.

Turkey's inflation is the highest in the OECD: around 30 per cent in the year to January (give or take a little according to which indicator you use). Its export boom has tapered off, with exports in the first 11 months of last year 7.8 per cent below the level one year earlier in dollar terms, and far more if measured in Deutschmarks. A halving in Turkey's oil bill helped little and, far from being a year of external recovery, 1986 saw the current account deficit rise by 10.4 per cent to \$3.4 billion.

This year too is another heavy year for debt service. Turkey is having to repay the principal on large sections of the debt it rescheduled when it became the first major post-oil shock casualty in the developing world. But, even if reserves are up to \$3.9 billion at the end of 1986, the country's foreign debt has increased from \$25 billion one year to more than \$30 billion. Worse, the share of short-term debt has risen to nearly 40 per cent.

All this means that foreign bankers and bodies such as the World Bank and the IMF are urging the need for Mr Ozal, when he returns from his Houston hospital bed, to prescribe more of the "Ozal medicine". Yet the label on his bottle is misleading—the government talks of austerity but practises expansion.

Money supply has been increasing at an annual rate of 40 per cent. There has been a surge of central government expenditure, particularly in the first part of the year, and

the budget deficit—due to fall—increased from 2.8 per cent of gross national product in 1985 to 2.9 per cent in 1986. And the municipalities have been on an unprecedented spending spree. GNP grew by no less than 7.8 per cent.

The message from the bankers and international agency staff who flock to Ankara is that growth at such a pace is distorting the economy.

The country's industrialists agree. "Anxiety over inflation now rules in the agenda of the Turkish businessman," says Ibrahim Bodur, president of the Istanbul Chamber of Industry. The industrialists also point to the excessive cost of bank finance—real interest costs of credit to prime borrowers are around 43 per cent.

The opposition has other



Demirel: opposition support

points to make, not least that income distribution—already believed to be one of the worst in the developing world—has become further skewed. A recent inquiry by the newspaper *Cumhuriyet* concluded that in 1986 workers had to work twice as long as in 1980 in order to buy a kilo of bread or meat or a pair of shoes and three times as long to buy a kilo of sugar.

This is the negative side of the coin—and has important political implications for Mr Ozal, given that he was helped to power by his promises that he would right the economy.

The positive side is that Turkey has begun to strip off the swaddling clothes impeding its development. The import, export and foreign exchange regimes have been

liberalized. Electricity cuts no longer plague industry. Telephone and telex links are vastly improved. A second Bosphorus Bridge being built by a Japanese-Italian-Turkish consortium is well on course to be finished before the elections due next year—a key date for many such projects.

A number of sections of motorways are being started. The huge South-East Anatolia Project is continuing with the aim of making a new fertile crescent of the Tigris and Euphrates basins. Turkey is even studying a plan to pipe water to Syria, Jordan and Saudi Arabia.

A few of the government's promises remain on paper. But the overall picture of Mr Ozal's Turkey is of a much more open economy, and one where private enterprise is no longer a bogey. Further, the party most likely to represent a threat to Mr Ozal in the next elections, the True Path Party, which supports Süleyman Demirel, makes it clear that it is unlikely to change the thrust of his policies. It also expresses its support for foreign investment.

To date, this investment has been slow to come—a mere \$100 million a year in capital and \$50 million in kind since the government took office. But, helped by the ending of discrimination against foreign investors, the outlook is improving.

This year could see the ground being laid in at least one of the planned coal-fired coastal power stations costing \$1 billion-\$1.5 billion. These are being built on a franchise basis, or what Mr Ozal calls the build-operate model, in which the investors finance, build and then own and manage the plant, perhaps eventually turning it over to the state after 10-20 years.

Other developments include a major expansion in south coast tourist bed capacity.

David Tonge

The author is director of the Istanbul consultancy firm, IBS, which specializes in assisting foreign businesses to enter the Turkish market



Giant heads at an Anatolian site

For butterflies and beaches

Scattered across Turkey's vast interior, where the winter snow still covers the hillsides, lie the bones and shattered dreams of a dozen civilizations and forgotten empires. In this ancient graveyard archaeologists have unearthed the remains of 40,000 years of human occupation.

This year by far the largest force ever to cross Turkey's frontiers will occupy the beaches of the south and west, and take over the principal cities. But unlike the invasions of the past, this one will encounter no opposition.

In 1987 more than two million tourists are expected to discover the delights of Turkey, stretching the infrastructure to breaking point, and driving the old hands into the interior to seek new pastures. As one of those veterans, I have been forced to find further and further afield to find solitude.

One delightful discovery

has been the small hilltop town of Artvin, in Turkey's remote North-East, not far from the Soviet frontier.

Looking down on the rushing Choruh River, flowing northwards into Russia, it enjoys breathtaking views of the surrounding country.

Perched on nearby hillsides, and hidden in little-visited valleys, are to be found ancient castles with crumbling, crenellated walls, and ruined Georgian churches, some of which have been turned into village mosques.

In season, one can fish for trout on lonely stretches of water, hunt wild boar and mountain sheep, pursue exotic butterflies or pluck 1,800 kinds of flowers.

Once a year, on the last Sunday in June, one of the most bizarre contests in the world takes place in the mountains high above Artvin.

This is a bullfight in which bull fights bull. The battle is rarely to the death, for one of the contestants, after a few entanglements, will turn and flee the field.

To get to Artvin is something of an adventure in itself. I hired a taxi from Kars, also on the Soviet frontier, and for five hours drove through some of the most magnificent scenery in the world.

Entire hillsides were carpeted with wild flowers, while in the distance, across the rushing river, shimmered snow-capped mountains.

Beside the road small boys sold wild apricots to the occasional passing car, while every few miles a picture-book village of white-washed houses climbed the steep hillside.

The fare was £50, but worth every penny. Artvin can also be reached by bus from the great garrison town of Erzurum, or along the coast road from Trabzon.

A backcloth for historical sagas

Towns such as Artvin remain unspoiled because they are on the way to nowhere. Two other extremely picturesque towns that are well worth making the effort to reach are Amasya and Safranbolu.

The former, once the capital of the Pontic kings, lies about two hours' drive inland from Samsun on the Black Sea. By train it takes the best part of a day.

Situated on a bend of the river, and overlooked by a massive crag, it must be one of the prettiest towns anywhere, with its cobbled streets, white-washed houses and overhanging vines.

One early Victorian traveller described it as the most beautiful town in the whole of Anatolia, and it can have changed little since then.

Safranbolu, once celebrated for its saffron crop, lies three hours' drive north of Ankara, again on the road to nowhere except the Black Sea. It is even more picturesque than Amasya, and Turkish film-makers use its narrow, winding streets and old timber houses and shops as a backcloth for historical sagas.

Some of the 300 white-washed houses are six centuries old. The whole village, with its ancient caravanserai and several mosques, climbs up the hillside towards the unattractive modern town which, blessedly, lies just out of sight above it.

The drive from Ankara is an attractive one, the scenery reminding one of Kashmir, but punctuated by the minarets of innumerable wayside villages. Because it is just off the main road, hidden behind a spur, Safranbolu is easily missed—which could prove to be its salvation.

Peter Hopkirk

The great bread basket

Government officials proudly cite trade statistics that show Turkey's industrial exports as accounting for more than 75 per cent of total sales abroad.

Agriculture now accounts for only one-fifth of gross national product. But the growing protectionism of Western trade partners, a parallel drying-up of Middle Eastern markets, and soaring credit costs suggest there may be new bottlenecks for industry, and agriculture is set to become once again the mainstay of the economy.

The reversion is not necessarily one to tradition, however. The government of Turgut Ozal has given a new push to the completion of a grandiose "South-East Anatolia Project", which includes gigantic dams, hydro-power stations and irrigation schemes.

The Atatürk Dam, named after the founder of modern Turkey and the largest of a total of 13 that will harness the waters of the Tigris and Euphrates rivers, is itself to generate 8 billion kilowatt-hours of energy and help to irrigate an area twice the size of The Netherlands.

Even more important, it is to address the economic, social and political problems of the long-neglected arid provinces by turning the region into a "bread basket" for the whole Middle East.

There is already a rush to acquire land, not

by poor locals, who have set their hopes on token distributions by the state, but by prospective "capitalist farmers" attracted to the idea of catering to a water-hungry Middle East, ever more dependent on imported food.

The government is also hoping to induce foreign partners to share the potential riches. One after the other, foreign—mostly American—delegations have been invited for a preview of the prospects and urged to set up joint plantations or agro-based industrial plants in the region.

Turkish agriculture, then, certainly has a future. But it is a controversial one, and the gulf between government and opposition over their perceptions of the present state of the sector has never been wider.

Mr Ozal's political opponents are critical of his policy of keeping the crop prices low despite the rocketing costs of inputs. This has despite the fact, they say, because the costs of fertilizers and tractors have caused most farmers to revert to traditional methods in a losing battle to achieve a subsistence level.

The government rejects these charges. It maintains that output in fact increased by an average 7.2 per cent last year, with wheat production going up to 19 million tonnes and other crops also giving record yields.

Rasit Gurdilek

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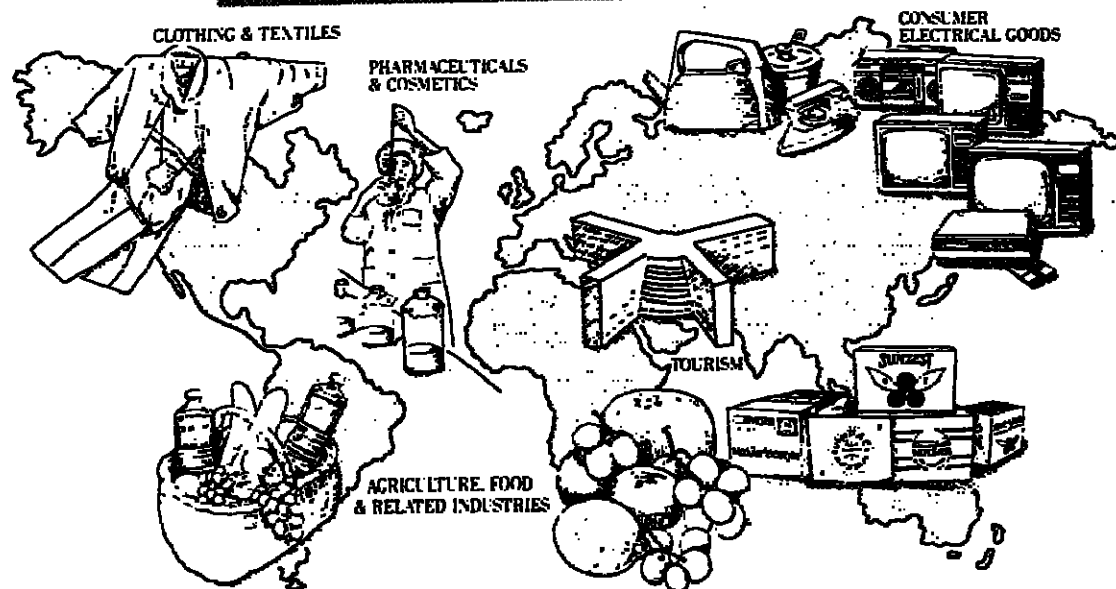
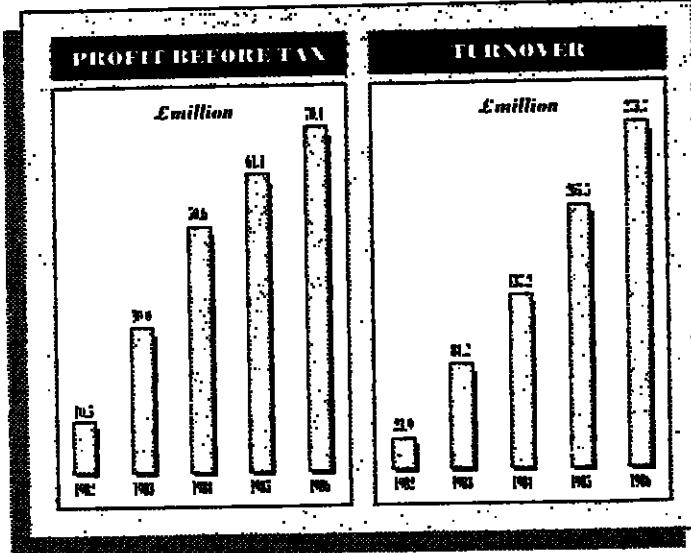
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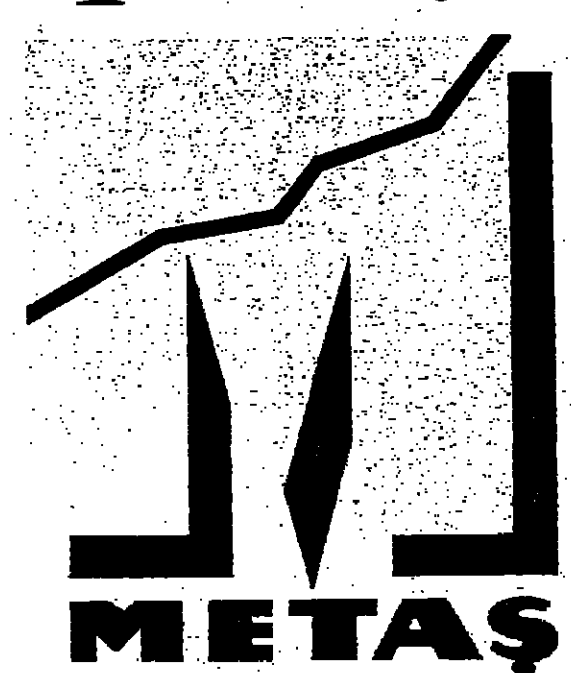


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Executive Editor
Kenneth Fleet

STOCK MARKET

FT 30 Share
1801.7 (+16.8)
FT-SE 100
1980.2 (+7.1)
Bargains
50617 (45554)
USM (Datastream)
150.74 (+0.46)

THE POUND

US dollar
1.5395 (+0.0010)
W German mark
2.8065 (-0.0036)
Trade-weighted
69.4 (-0.1)

Cheap oil
may cut
fuel bills

Britain's domestic and industrial energy users are likely to have their fuel bills trimmed after the forthcoming Budget, despite a fall in North Sea oil prices which will cut Government oil revenues. North Sea oil prices moved back above the \$16 level yesterday, but it is unlikely that the world price will return to Opec's \$18 target for at least another month.

The fall in the world oil price, leading to lower natural gas prices, will mean a lower price for domestic consumers from British Gas, which is now required to produce a domestic tariff from April 1 that reflects overall world energy prices. A lower oil price would also keep world coal prices down, which in turn would cut electricity costs.

Hopkinson
leaves M&G

Mr David Hopkinson has resigned as managing director of M&G Group, the publicly quoted investment company, with £4.2 billion under management. Mr LE "Paddy" Linaker is succeeding him while Mr David Tucker is becoming deputy managing director.

Mr Hopkinson who is retiring from M&G, at the age of 60, became managing director late in 1979. He said yesterday he would stay on the boards of a number of public companies such as English China Clay, and as a Church Commissioner. He has been an outspoken critic of the new system of self-regulation. "His singular contribution has been saying trenchantly what ought to be said but not what everyone wants to hear", Mr Andrew Caldecott, the M&G chairman, said of Mr Hopkinson in the group's latest annual report.

In tomorrow's 12-page *Family Money* how to use your pension to pay your mortgage, the merits of shareholder perks and how to invest in currencies. Also, the mysteries of financial futures explained, and of tax year planning for BES investors and the real cost of your child's birthday party.

Peachey issue

SG Warburg, the merchant bank, has arranged a £50 million commercial paper programme for Peachey Property Corporation. It will be used to cover short-term funding requirements in sterling. "We hope to start issuing paper around the end of March," Mr Aubrey Adams, the finance director, said.

And so to £3m

Smallbone has acquired And So To Bed, the bedroom furniture retailer, for just under £3 million after resuming negotiations broken off in December.

Stock Market

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MARKET SUMMARY

STOCK MARKETS

New York	2218.50 (-7.74)
Dow Jones	2218.50 (-7.74)
Tokyo	20453.90 (+267.57)
Nikkei Dow	20453.90 (+267.57)
Hong Kong	2843.60 (-29.98)
Amsterdam Gen	284.50 (+1.10)
Sydney AO	1584.8 (+6.2)
Frankfurt	1723.5 (+4.5)
Brussels	4178.42 (+14.33)
General	424.4 (+1.70)
Paris CAC	532.90 (+2.50)
Zurich S&K Gen	532.90 (+2.50)
London FT A	87.62 (+0.26)
FT Gals	87.62 (+0.26)
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INTEREST RATES

London Bank Base	11%
3-month interbank 10	12.25%
3-month eligible bills 10	10.10%
buying rate	
US Prime Rate 7 1/2%	
Federal Funds 5 1/2%	
3-month Treasury Bills 5.44-5.43%	
30-year bonds 100	10.100%

CURRENCIES

London	New York
£ \$1.5395	£ \$1.5395
DM 2.8065	DM 2.8065
Sfr 2.3624	Sfr 2.3624
FFr 3.3371	FFr 3.3371
Yen 163.10	Yen 163.10
Index 68.4	Index 68.4
ECU 2.735454	SDR 2.820747

Harvey-Jones bows out with 11% profits rise Another billion by ICI

By Carol Ferguson

Imperial Chemical Industries last year passed the £1 billion level for the second time in its history. Sir John Harvey-Jones, the outgoing chairman who retires at the end of March after five years in the driving seat, said that profits increased by 11 per cent despite only "modest growth" in world economies.

The last time the big chemicals group's profits exceeded £1 billion was in 1984 with £1,034 million. In 1985, profits dropped to £912 million.

Last year, pretax profits rose by £104 million to £1,016 million as ICI at long last felt the benefits of lower oil prices. The results disappointed some of the higher market expectations.

The chairman designate, Mr Denis Henderson, said yesterday that the outlook for the current year was "reasonably encouraging". The share price rose strongly on the announcement, reaching 1,480p, but ended the day 16p lower at 1,427p.

The group's fertilizer business suffered a big setback in 1986. Profits slumped from £99 million to a loss of £15 million.

The company blamed a steep fall in ammonia and methanol prices after the decline in oil and gas costs. Dumping of low-priced fertilizer from Comoros countries into Western Europe also depressed prices, and struggling farm economies, especially in North America, hit volumes.

Mr Henderson said that despite last year's losses, the group had no intention of pulling out of fertilizers. "We are determined to stay in the fertilizer business and are going to hang on in there," he said.

One of the strongest areas was petrochemicals and plastics which more than tripled its contribution to £181 million. Lower feedstock costs, principally oil, and a strong German market were the main factors which allowed margins to widen.

General chemicals also enjoyed buoyant market conditions. Profits rose 22 per cent to £168 million on the back of strong volume growth in Britain and Europe, and the weak Australian dollar. Margins improved as feedstocks costs came down and prices were held at reasonable levels.

Pharmaceuticals increased by 6 per cent in sterling terms to £286 million, but the real increase was much greater, averaging about 20 per cent in local currency terms.

Steady sales of such established products as Tenormin and Inderal were complemented by two new drugs launched in 1986. Apatel is an injectable antibiotic and Diprivan is an intravenous anaesthetic used in dental work.

ICI has three more pharmaceutical products which are close to launch. Statil is for diabetes. Zestril is for the relief of hypertension and heart trouble, while Zoladex is for the treatment of prostatic cancer.



Harvey-Jones: profits up 11 per cent despite only 'modest growth' in world economies

A turnaround in colours and polyurethane allowed ICI's effect products to jump 75 per cent to £175 million. Restructuring has turned losses in colours in 1985 into profits, while specialization in polyurethane and development of the European and US markets has resulted in an improved performance from polyurethane.

The sinking oil price had its by now familiar effect on oil and gas profits. They slumped from £59 million to £20 million, aided by a release of petroleum revenue tax and other provisions.

Since the year-end, ICI has merged its oil and gas interests with those of Enterprise Oil in exchange for a 25 per cent shareholding in Enterprise.

Given its heavy share price, ICI admitted that it had considered a share split or a scrip issue. A scrip issue was rejected because ICI wished to keep its reserves intact.

The possibility of a share split was also discarded on the grounds that it would be too expensive and too complicated in view of the large proportion of the group's shares (15 per cent) which are held in American Depository Receipts form.

Sir John said: "I'm looking forward to my retirement very much indeed. What am I going to do? Not much!"

Tempos, page 23
ICI's rise and rise, page 23

Control of Oldham sold for £531m

By Cliff Feltham

Oldham Estate, the property company built up by Mr Harry Hyams, is being taken over in a deal worth £531 million by MEPC, Britain's second largest property group.

The Co-operative Insurance Society has agreed to sell its controlling 68 per cent stake but there was no indication last night whether the secretive and elusive Mr Hyams will agree to part with the rest of the shares. He will not be offered a job in the enlarged group.

Mr Christopher Benson, the managing director of MEPC, said: "I have no idea what his reaction will be although he has a sneaking feeling he will accept."

Mr Hyams, whose most famous office development is Centre Point in London, was on holiday in Sri Lanka last night and no one at Oldham Estate would comment on the bid.

The surprising deal effectively quashes any continuing speculation about the future of MEPC which during the past year has been the subject of intense takeover talk.

But the company yesterday denied the Oldham Estate move was defensive and claimed it offered the opportunity to acquire key properties in London and the South-east whose value could be improved by a refurbishment programme. Among the London properties in the £500 million Oldham Estate portfolio — which include a number of suburban shopping centres — are Royex House, Draper's Gardens, London Bridge House, and Centre Point.

The building, which was unoccupied for years caused a furore in the 1960s. "It is a tired lady which needs to be made more suitable for the year 2000 than 1965," said MEPC. It is now the headquarters of the CBI.

The complex bid involves MEPC offering three of its own shares and 440p in cash for every £17.60 of Oldham's net assets. But the figure could fluctuate depending on the most current value of Oldham's properties, which is not expected for two weeks.

MEPC shares slipped 9p to 350p on the news, which did not please all property analysts. One said: "It sounds like a bad deal for MEPC shareholders."

Mr Hyams, aged 59, started as an estate agent before buying into Oldham Estate whose assets then consisted of 19th century cottages and old cotton mills — in 1959. Mr Hyams forged a link with George Wimpey, the contracting firm, providing him with the finance needed to undertake office developments.

Wimpey sold the bulk of its holding to the CIS in 1972 and the balance several years ago. The CIS will hold an 18 per cent stake in the enlarged MEPC group by accepting the offer and has agreed not to sell more than 5 per cent a year.

Royal leaps to £305 million pretax

By Michael Tate

Britain's biggest general insurance group, Royal Insurance, has comfortably beaten the City's best estimates for 1986 with pretax profits of £304.8 million compared with just £41.5 million in 1985. Analysts had been looking for no more than £290 million.

Earnings per share have multiplied from 12.2p to 105.3p, and shareholders will collect a 20.5p per share final dividend, making 31p for the year, an increase of 20.4 per cent.

The most dramatic improvement came in the US, the group's most important market where, despite underwriting losses of \$118 million (£77 million) on the workers' compensation business, and an £18 million penalty on the foreign exchange markets, the group made a pre-tax profit of £14.7 million against a £22.7 million loss last year.

In the UK, Royal more than doubled profits from £44.3 million to £93.6 million, a pace that is likely to have proved too hot for the competition. The final quarter produced an underwriting profit of £10.6 million and a pre-tax result of £36.8 million, compared with £22.6 million in the final three months of 1986, the best quarter ever seen by Royal UK.

The outlook for 1987 is good.

Bank warning on debt repayments

By Graham Searjeant, Financial Editor

The proposal by Mr James Baker, the US Treasury Secretary, to renew flows of commercial loans to developing countries and help them resume growth is not being fulfilled, according to new figures from the World Bank.

Instead, the danger of a disruptive breakdown in debt service arrangements, typified by the moratorium on interest payments unilaterally declared by Brazil, is now greater than at any time in the past four years.

Developing countries transferred \$29 billion (£19 billion) more in interest and repayments to industrial creditor countries last year than they received in new loans, the bank estimates in its review of developing country debt.

New loans net of repayments to 109 debtor countries fell from \$28 billion in 1985 to an estimated \$21 billion in 1986, while interest payments dropped from \$34.5 billion to about \$30 billion. Total developing country foreign debts still rose slightly but almost all the increase was accounted for by the fall of the dollar compared to other currencies in which debt is denominated.

The World Bank blames "debt fatigue" after four years of the debt crisis brought about by excessive lending and borrowing of oil countries' former surpluses and the world slump. Both debtors and commercial banks have lost patience with "complex and seemingly ever-to-be-renewed debt-rescheduling negotiations."

Developing country debt is no longer as crucial to international banks' balance sheets. But borrowers see no way out because creditors will continue to enforce domestic austerity, preventing debtors from pursuing economic growth.

This, combined with slow world economic growth and restraints on exports from developing countries, threatens "the confidence indispensable to future economic and financial relations." The bank says this can only be resolved by co-ordinated intervention.

Mr Paul Volcker, chairman of the US Federal Reserve Board, said he did not foresee any significant interruption of interest payments on debt by developing nations and expected co-operation in efforts to reach a solution.

Mr Baker was scheduled to meet Senhor Dilsen Fumaro, the Brazilian finance minister yesterday. Earlier, Mr Baker said he expected a "timely resolution" of Brazil's problems. He will meet the Chancellor on Monday.

Barclays Bank disappoints with 7% rise

by Richard Thomson, Banking Correspondent

Barclays Bank, the second largest British clearer, yesterday disappointed the City with worse than expected pretax profit figures for 1986 of £895 million, a 7 per cent increase on the previous year's result of £840 million. The stock market had been hoping for profits of more than £900 million.

The biggest disappointment was the British domestic banking operation where profits advanced by only £2 million to £419 million from £417 million the previous year. Sir Timothy Bevan, the chairman, said that interest income had been affected by the fall in interest rates last year and by the pressure of competition on retail deposits and lending.

Earlier in the year Barclays had cut back on lending to businesses, but an increase later had led to a 6 per cent rise in lending over the year. The growth in commission income had also slowed because of the introduction of free banking.

Barclays said that earnings per share had advanced by 31 per cent to 88.9p. The total dividend for the year is to rise by 13 per cent to 21p.

Despite the results, Sir Timothy described 1986 as a "promising year", with developments which would lead to higher profits in future. Barclays de Zoete Wedd, the investment banking and securities arm, was particularly important, although its high costs had reduced the group's overall profit, he said.

Since Big Bang all BZW's divisions have been performing well and it has achieved a higher share of business volume than expected.

BZW contributed pretax profits of £11 million despite an £11 million loss on trading before Big Bang and substantial development costs.

Sir Timothy said that the bank's £500 million exposure to Brazil was smaller than many banks and was not worrying.

He said that the sale of the bank's 40 per cent holding in Barclays National, the South African bank, last year seemed to have improved public image, although its share of the student account market had slipped to 15 per cent from more than 20 per cent.

Overseas operations performed well.

Tempos, page 23

Philips saved by a sudden demand

By Ray Heath

A late burst of demand for television sets, video recorders and compact disc players last year has upset earlier warnings that the profits of the Netherlands electrical group Philips would fall in 1986.

Overall sales of the group in the fourth quarter were still down seven per cent year on year but this was a marked improvement on the 12 per cent fall in the previous three months.

Net income for the quarter boosted by exceptional items, rose from FL352 million (£110 million) to FL560 million.

This included FL56 million of extraordinary income resulting from the termination of cable activities, a FL60 million adjustment to the tax charge and a FL130 million of non-recurring income from Philips optical media development. But the president, Mr Cornelius van der Klugt, reported in Eindhoven, where the group has its headquarters, that there was still an underlying improvement in the group's performance.

The company suffered badly from a 26 per cent appreciation of the dollar against the guilder.

Net income of the group for the year rose from FL919 million to FL1,015 million, well above brokers' estimates. The dividend is maintained at FL2 per share.

Comment, page 23

Cadbury profits increase by 40%

By Teresa Poole

Cadbury Schweppes, the confectionery and soft drinks group, yesterday announced a 40 per cent increase in pretax profits to £130.7 million for the 53 weeks to January 3.

But it refused to speculate on the intentions of General Cinema, the United States firm which last month announced an 8.5 per cent holding in the company.

Under US rules, General Cinema, the theatre chain and soft drinks bottler, is permitted from today to increase its holding to more than 10 per cent.

Sir Adrian Cadbury, chairman of Cadbury Schweppes, said: "There is nothing to add to the information already issued." Mr Richard Smith, chairman of General Cinema, had written requesting a meeting between the two.

Cadbury Schweppes shares.

Tempos, page 23

ICI profits top £1 billion again.

in 1986

The Board of Directors of Imperial Chemical Industries PLC announce the following trading results of the Group for the year 1986, subject to completion of the audit, with comparative figures for 1985.

ICI Group financial highlights		
Group means ICI and its subsidiaries. £m means millions of pounds sterling		
	1986	1985
	£m	£m
Turnover (sales to customers outside the Group)		
Chemicals - UK	2,338	2,433
- overseas	7,400	7,426
Oil	398	866
Total turnover	10,136	10,725
Trading profit	1,049	978
Profit before taxation	1,016	912
Net profit attributable to parent company before extraordinary items	600	552
Earnings (before extraordinary items) per £1 Ordinary Stock	92.0p	86.4p
Dividends per £1 Ordinary Stock	36.0p	33.0p

The above are abridged results; full accounts for the year 1986 with an unqualified audit report have been lodged with the Registrar of Companies.

Trading results for the first quarter of 1987 will be announced on Tuesday 28 April 1987.

On course for £170 million target Steel profits warning

By Edward Townsend, Industrial Correspondent

British Steel, now near the top of the Government's privatization list, has said it should reach its pre-interest profit target of £170 million this year "barring unexpected events beyond our control."

Mr Martin Llowarch, the corporation's chief executive, said the present year's profit would still leave it £30 million short of the £200 million-plus needed every year as the minimum required to keep the industry modern and competitive.

"And a profit of £170 million would still be £180 million below the annual profits which would allow us to pay a dividend on the capital invested in us and establish a reserve to cushion us from the full effect of hard times in the future."

By 1988, the corporation says, profits will need to be £225 million to cover inflation. And in the longer term, the target is to make profits of £350 million a year.

Mr Llowarch has told employees that almost daily steelmakers around the world are in increasing difficulties and many are sinking back into losses. "There are no special safeguards to protect British Steel and we could easily fall back into the same problems. We have been there and we know how quickly it can happen."

The corporation says that at the end of the first year of operation without aid from the Government, exports are in increasing difficulties and the drive for financial self-sufficiency, viability and security.

Sales to the rest of the world outside the EEC are expected to be more than 2 million tonnes of finished steel this year, representing 22 per cent of total deliveries. "Although they make little contribution to profits, they have allowed us to keep plant operation and shift working at a high level."

The corporation says that whether the steel industry remains under state control or is privatized, the first major task for all employees is to win self-sufficiency and to press on for greater profits and long-term survival.

The corporation says that every extra 100,000 tonnes of steel sold in Britain is worth £10 million to it, a 1 per cent saving in energy is worth £9 million, 1 per cent in employment costs £7 million and a 1 per cent saving in maintenance materials is worth £3 million.

The corporation is one of the few European steelmakers to have stayed in profit, it says, and most are making losses or breaking even.

MAIN PRICE CHANGES

RUBBER	390p (+24p)
BICC	735p (+40p)
BP	735p (+40p)
Royal Insurance	1023p (+11p)
Boots	316p (+11p)
Thorn EMI	597p (+10p)
Ashley India	690p (+14p)
Ward Holdings	508p (+15p)
Habit Precision	138p (+17p)
Birmingham Mint	243p (+18p)
IBL	108p (+12p)
LWT Holdings	687p (+17p)
Medminster	210p (+28p)
Barnard Group	167p (+35p)
Metal Closures	206p (+18p)
Pittard Group	277p (+44p)
Barrow Hepburn	86p (+8p)
Davies DY	216p (+16p)

FALLS:

ICI	1411p (-44p)
Glaxo	1614p (-34p)
Wellcome	478p (-43p)

Prices are as at 4pm

GOLD

London Fixing:	
AM \$403.10 pm \$404.10	
close \$404.25-404.75 (262.25-262.75)	
New York:	
Comex \$404.00-404.50	

NORTH SEA OIL

Brent (Apr.)	pm \$16.35 bb(\$16.00)
* Denotes latest trading price	

THE TIMES CITY DIARY

Pricey pitch

The price of £36,000 for a self-contained broom cupboard opposite Harrods caused a national sensation. But now I hear that a 300 sq ft kiosk adjacent to Oxford Circus tube station has been leased to a "Bureau de Change" company at a rent which could work out to be as high as £1,600 per square foot. The new tenant is paying an annual rent of £100,000 with a £75,000 premium on top for the remaining six years of the lease. London Transport, the head lessor, has a six month notice clause and if they chose to exercise it after the first six months, the kiosk would, at £1,600 per sq ft, be the most expensive in Britain. Joe Malvisi, a director of fully-quoted estate agent Hanover Druse, which had the kiosk on its books for only a month, says: "It certainly is one of the most expensive pitches in the country — and it's due for a rent review next year."



No saucisson

David Hopkinson, deputy chairman and managing director of the giant investment management group M&G, bowed out yesterday at the age of 60, after 25 years with the firm, and without having had his last wish fulfilled. When asked what he would most like to eat at his farewell luncheon in the boardroom, he requested bangers and mash. But his humble plea was rejected and he was served, instead, beef bourguignon. "Our caterers — the Roux Brothers — say they cannot do sausages and mash," he told me disappointedly. "It's too sophisticated for them," quipped his replacement as MD, Laurence Linaker — known to his friends as Paddy. Why Paddy? I asked. "It's a silly family tradition," he said. "That people are not called by their real names. My father, Laurence, was known as Peter and my uncle, Edward, is called Michael."

● Sophie Mirman, the former secretary to Marks and Spencer chief Lord Steff, who opened her 41st Sock Shop in London yesterday, boasts a formidable fashion pedigree. Her father, Serge Mirman, used to be the British vice-president of Christian Dior, the French couture house, and her mother, Simone, possesses two Royal warrants for making hats for the Queen and the Queen Mum. Sophie, aged 30, confesses that she doesn't wear her mother's hats — but Madame Mirman admits to wearing her daughter's tights.

Actually

We all know that an actuary is someone who found accountancy too exciting. But did you know that the mathematics wizards hunt in packs? It seems they do and Michael Elton, the new director general of the National Association of Pension Funds, has even come up with a name for them. According to Elton, the collective noun for a group of consulting actuaries is ... a fee.

● The latest offering in our series of silly names comes from a reader in Woking, Surrey, who tells me that at British Leyland's HQ in the 1970s, the sick bay was staffed by a Doctor Hands and Sister Wash.

Neddy head

Mrs Thatcher's snub of the National Economic Development Council is at last nearing its end. After a five-year absence, she has designated to chair next week's meeting of Neddy, the tripartite body whose constant search for consensus has differed from her own philosophy of how to run the country. Her previous visits were in 1980, 1981 and 1982, but since then she has been happy to allow Sir Geoffrey Howe and now Nigel Lawson to bang the drum for Thatcherism. But as it is the silver jubilee of this top people's talking shop — and, of course, an election year — a lack of the Prime Minister's presence might have seemed a bit churlish. Previous Prime Ministers have shown varying degrees of interest in Neddy. James Callaghan and Edward Heath thought it a good idea, but Harold Macmillan and Harold Wilson attended infrequently.

Carol Leonard

Harvey-Jones and the rise and rise of ICI

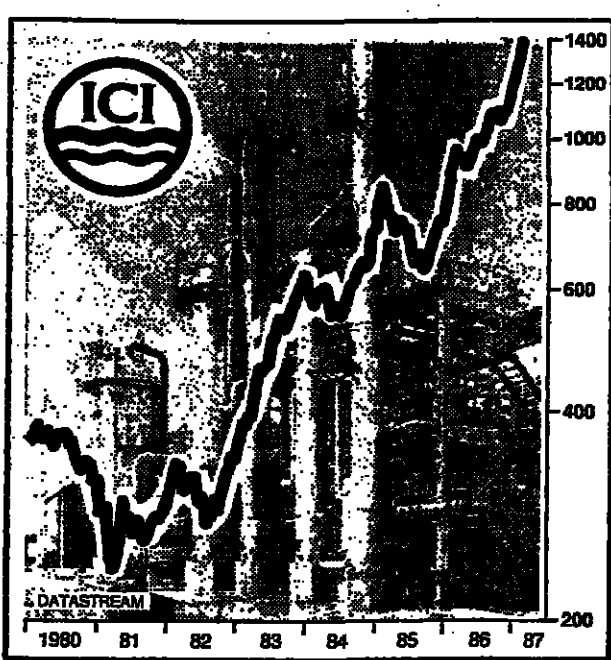
Most executives fall back on platitudes when asked about their elevation to the chairman's job. They tend to talk of challenges, the daunting tasks that lie ahead and the responsibilities of running This Great Company of Ours.

But not John Harvey-Jones. His reaction when taking over the chair at ICI in 1982 was, like the man himself, candid, unexpected and unconventional. His appointment was, he said, a risky decision.

He was, it must be said, quite unlike anyone else to hold that exalted post. No degree, a naval background, perhaps the worst haircut and loudest ties of any leading British businessman. Neither was he anyone's idea of the high-powered, workaholic executive. He never answered business calls or entertained business contacts at home. He does the shopping at weekends, likes to cook curries for his family and never takes work home with him.

Yesterday's profits from ICI were the last to be delivered by Sir John as chairman. Yet, both in quality and quantity, they were far superior to anything that could reasonably be expected in ICI's dark days of the early 1980s. In those terms, his appointment was certainly a risk which paid off handsomely. ICI watchers in the City say simply that he has been an outstanding chairman. "There was no one other than John with the charisma and personality to force through the changes that were so necessary in the past five years," is the verdict of one leading analyst. The sentiment is fairly well echoed by the rest.

When Mr, now Sir, John Harvey-Jones took over in 1982, ICI was emerging from a period which more than any other in the company's history, merits the description of a crisis. In its thinking and attitudes to the business, ICI was not well equipped to deal with the traumas which



emerged during 1980. The seeds of this were identified as early as 1972 in a series of articles in *The Sunday Times* which privately enraged the directors of the day. One senior manager at the time said: "We suffer from the problems of size. We employ too many highly paid people to check and cross-check other men's figures. We are an over-educated company with a technical bias. We are not breeding people with an entrepreneurial flair."

In 1980, when sterling acquired petro-currency status and the pound soared to more than \$2.40, British exports became hopelessly over-priced. ICI's world, according to one senior executive, fell off a cliff-edge. After record first-quarter profits, the company was by the autumn heading for the unthinkable, a savage cut in dividend and its first quarterly loss in 54 years. That year the accounts were scarred by more than £20 million of exceptional write-offs, and as a result more than 30,000 employees lost their jobs in Britain alone.

Under the lead of Sir John's

predecessor, Sir Maurice Hodgson, the board switched from strategic planning to tactical fire-fighting. Divisions such as fibres, which had been bleeding to death, were severely reduced in size and the losses staunch. ICI's core businesses in commodity chemicals were exposed as low-margin, low-quality operations subjected to intense scrutiny and re-appraisal.

When he took the chair, Sir John identified a number of strategic objectives which have transformed the company in the past five years. Underlying all his proposals was a drive to make ICI more efficient, more cost-effective and to improve the group's poor showing in the productivity league table of big chemicals companies. He wanted to build up the group's strong companies and to reduce the dependence on bulk commodity chemicals.

Sir John encouraged the board to identify growth areas of the world and to expand in places like the US and the Far Eastern economies. He

pushed for a high-technology ICI with more activities in newer high potential businesses. To help achieve these objectives swiftly, he formed what has effectively become a new acquisitions team and used it extensively.

Among the enormous changes which flowed from all of this, the one which needed a John Harvey-Jones more than the rest was the knocking together of all the British and European bulk chemicals businesses into a single unit, the chemicals and polymers group.

Amalgamating a number of entrenched and long-standing empires was never going to be easy. "It took someone with John's leadership, character and persuasion to make it happen," says a leading analyst. The benefits, cost savings of up to £100 million a year, will make their impact in 1988 and continue the momentum demonstrated in yesterday's figures. The merging of ICI's PVC operations with those of Enichem last year will eliminate heavy losses by the end of this year.

To improve the quality of ICI's income stream, Sir John has put more beef into the pharmaceuticals businesses. The \$750 million (£487 million) purchase of a clutch of speciality chemicals companies from the American Beatrice group took ICI into higher added-value products and increased its presence in one of its key targeted areas. Glidden, the third-largest paint manufacturer in the US, bought for \$580 million last year, was another significant move in the same direction.

The Harvey-Jones legacy is a company which has restructured and repositioned itself dramatically since the shocks of 1980. The old image of a slow-moving bureaucratic mammoth could hardly be further from today's reality. Profits in the current year will probably reach a level that is quadruple those of seven years ago and the far-reaching changes in areas like bulk chemicals will continue to be felt for a number of years.

In personal terms, Sir John has also done a great deal for the public perception of industry in a society where there is still a deep underlying mistrust of the profit motive. His press clippings file is studied with magazine profiles by writers who can scarcely conceal their surprise at having encountered the human face of big business. For Sir John's successors at ICI, that may be the toughest act of all to follow.

John Bell
City Editor

TEMPUS

Barclays comes a poor second in bank league

Barclays Bank's 1986 results confirm why it is now only the second-largest British clearer. Compared with National Westminster Bank, Barclays' figures look doubly disappointing, and although the shares dropped 12p to 530p, they would probably have gone further if the market had not already been so weak.

Barclays' performance was, in some respects, a mirror image of NatWest's. Barclays' market share in crucial areas has decreased, its reliance on relatively expensive wholesale market funding has increased, its net interest income has dropped as margins have been squeezed, its British profits have barely moved and its ratio of provisions to advances has declined.

The big surprise was the meagre £2 million increase in British profits to £419 million, compared with £720 million from NatWest. A very tight lending policy led to low first-half profits in 1986. Barclays beefed up its lending slightly in the second half but mostly on low-margin corporate business.

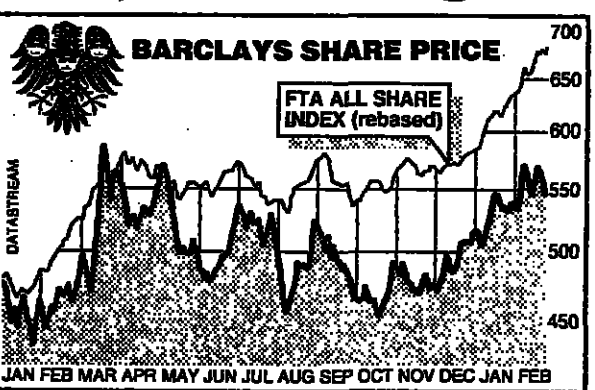
Consumer lending continued to do reasonably well but the bank is lagging in crucial markets, such as student accounts, and added only 200,000 net new accounts — half the NatWest figure. The growth in commission income also slowed. The overall impression is of a vulnerable market share in Britain.

The bad debt charge remains the same as last year at £416 million, so the ratio of provisions to advances has dropped at a time when most bankers see the need for substantial increases.

Low provisioning has substantially strengthened the profit line, as has the low 30 per cent tax charge resulting from the switch of £188 million from general into tax-exempt specific provisions. A similar switch next year is unlikely, so next year's increase in earnings per share should look less healthy.

Foreign exchange turned in £123 million in profits — but these low quality earnings now constitute more than 14 per cent of the bank's total profit. Apart from some bright results in the United States and other overseas operations, there was a pleasant surprise in Barclays de Zoete Wedd's results. Writing off the heavy start-up and development costs as they arise, and despite an £11 million pre-Big Bang trading loss, BZW still reported a £1 million profit at the year end.

On a yield of more than 5 per cent, Barclays is relatively attractive, but these figures



are likely to dampen a growing enthusiasm for the shares, and analysts' forecasts for next year's profits are already being downgraded.

ICI

ICI's diversity is such that every set of results will have some good news and some bad news. The 1986 preliminaries were at the bottom end of analysts' expectations, but the underlying trend of the business shows that it is on course for a bumper year in 1987.

Pretax profits for 1986 were up by 11 per cent to £1,016 million on turnover which fell by 5 per cent to £10.1 billion.

The bad news was widely anticipated. The falling oil price demolished oil production profits.

Agricultural profits were also every bit as bad as the market expected. Fertiliser margins were squeezed to vanishing point by the steep fall in world ammonia and methanol prices caused by falling oil and gas prices and dumping by Eastern bloc countries.

But take a closer look at what is happening to the rest of ICI's business, the major part of it, and the picture looks very reassuring.

In pharmaceuticals, for example, a 6 per cent increase in profits in sterling terms masks a much more impressive 24 per cent rise in the US and a 16 per cent improvement in the rest of the world in local currency terms.

Meanwhile, rationalization at the rate of around £45 million a year will continue. A restructured chemicals and polymer group will bring together the heavy technology businesses based primarily in Europe — petrochemicals, plastics, general chemicals, fibres and agriculture — resulting in administration and cost savings, while allowing better management of assets.

And ICI will continue to develop its portfolio of speciality chemicals and its colours and polyurethane businesses, gradually shifting the balance from the heavy European chemicals business to

international specialities.

Pretax profits should reach £1.3 billion in 1987. However, a higher tax charge, possibly 38 per cent depending on the international profits mix, will result in earnings per share of 115p. The prospective multiple is 12.4.

The shares have risen by 60 per cent in the last twelve months, outperforming the market by 20 per cent. They have further to go.

Cadbury Schweppes

By a neat bit of rescheduling, Cadbury Schweppes yesterday published a strong set of results less than 24 hours before General Cinema's expected clearance to raise its stake to more than 10 per cent. Whatever the protestations of Sir Adrian Cadbury, the chairman, that the group does not want to be distracted by its American suitor, it is clear that a tactical game is under way. Analysts have already spotted a large buyer in the British market.

General Cinema's timing is a puzzle as Cadbury's corporate plan is now firmly in place. If 1985 was the year to grasp the nettle, 1986 was the year of restructuring, and in 1987 the full benefits will come through. The US company has said it would not expect to make a bid for 12 months, by which time Cadbury should be turning in pretax profits of more than £160 million — albeit taking in the whole of the Coca-Cola British joint venture — which would mean a manageable prospective p/e of 16.

Cadbury Schweppes is fit for a fight. Lest anyone suspect the company has merely bought in growth, last year's £27 million increase in trading profits was more than accounted for by a £34 million improvement from existing businesses.

Return on assets, at 21.1 per cent, was the highest ever achieved: earnings are up by more than half and gearing has dived from 46 to 19 per cent. But then General Cinema has a record of spotting undervalued assets.

COMMENT Kenneth Fleet

Philips rises to meet the Far East challenge

One by one, the significant European consumer electronics manufacturers, like their American counterparts, have left the field, defeated by the conquering Japanese, stripped by the Koreans and Taiwanese. Philips alone remains, like the little Dutch boy with his finger in the dyke, stubbornly convinced that Europe needs its own skills in advanced component design which is now the heart of electronic consumer goods.

Philips has great respect for Japanese industrial achievements but it has no illusions about Japanese ambitions: they are not to have a share, even the significant share, of any market they are attacking, but the entire market. In consumer electronics, their concern is to make and export machines. For high definition television sets, they have proposed universal adoption of the Japanese standard, which would deliver the market entirely to them. In launching digital audio-tape against the compact disc they are completely uninhibited by the harm the copying facility will do to the software industry — the writers and artists whose work is easily pirated. The software is predominantly western, not Japanese.

Philips is not always good at explaining these central issues in a positive manner. The mood in Eindhoven oscillates between diffidence and defensiveness and too often the company finds itself accused of nothing more than self-interest. The problems, however, for Philips and for Europe will not simply go away.

Less than two years ago, Dr Wisse Dekker, then president of Philips, suggested there were not many reasons why the big electronics company should stay in The Netherlands. His successor, Cornelius van der Klugt, faced with a further fall in the dollar against the guilder, is concentrating investment in the cheap dollar parts of the world. His long-term ideal production split is 50 per cent in Europe, against 60 per cent now, with 25 per cent coming from the Americas and 25 per cent from the Far East.

The guilder's rise against the dollar over the past year has been close to 30 per cent. This completely undid a 6 per cent increase in sales volume, and left the value of sales in 1986 down from Fl60,045 million to Fl55,037 million — a fall of 8 per cent. Net income of Fl1,015 million is comfortably ahead of 1985's Fl919 million, proving wrong forecasts of a second year of falling profits. A sudden surge in demand in the last quarter and some exceptional items taken above the line improved the picture, but returns are still below those of Far Eastern rivals.

The return on sales improved from 5.1 to 5.8 per cent, but is still below 1984's 6.5 per cent. Capital employed was up half a point to 6.5 per cent.

The running story in consumer

electronics where Philips made 31 per cent of its sales last year will be the introduction of digital audio tape. Initial sales of this expensive system will be small, but DAT's potential impact on compact disc, where Philips accounts for half the world production cannot be ignored.

Philips has two strategies to meet the challenge. One is to produce its own DAT machines, which will not be well-received by its Polygram record pressing subsidiary. The other is to widen the scope of the compact disc by adding a video signal. How either will impinge on Philips's long-term growth are just two of the imponderables, along with exchange rates and their effect on the Japanese competition, with which investors in this sector will have to live. On the positive side, there is Philips's p/e ratio, an undemanding 11, and Mr Van der Klugt's assurances that 1987 will see further progress in sales and income.

Lawson's oil dilemma

The oil price climbed back above \$16 a barrel yesterday and it could go higher yet. So far, the Opec agreement on production quotas has held better than many expected. This curb on supply has not been properly reflected in the price yet because there is a time lag of six to seven weeks as Opec crude travels between the producer-countries and the major markets.

The fall in the price may, nevertheless, close a Budget option for the Chancellor, Nigel Lawson. Past practice has been to project the oil price forward at about the levels of the four to six weeks prior to the Budget when doing the revenue sums. If the price had held at \$18 it might have been reasonable, in the light of the Opec agreement to target sales at that price, to have assumed an \$18 average for the year 1987-88.

Given the fall to below \$16 this week, this now looks insufficiently cautious irrespective of what happens between now and Budget day. The difference between \$15 (as assumed for the current year) and \$18 is nearly £1.5 billion in revenue. But even if the Chancellor chooses to assume \$15 or \$16, he will still have a very large fiscal adjustment to play with: perhaps £3 billion on the basis of a \$15 oil price, according to the London Business School.

Yesterday, both the pound and the dollar were moving sideways ahead of today's British and US trade figures.

Taking their cue from sterling's sideways movement, money market rates eased slightly with three-month interbank finishing at 10½ per cent, significantly above the 10¼ per cent level at which a base rate cut would be indicated. Barring spectacularly good British and US trade figures today, the cut in rates for which the market has been looking is now more likely to come in the wake of the Budget than before.

Royal Insurance Preliminary Results for 1986

	Year 1986 (audited) £m	Year 1985 (audited) £m
General Premiums	3,103.1	2,779.5
Long-term Premiums	692.3	367.2
General Insurance:		
Underwriting Balance	-108.8	-347.1
Allocated Investment Income	278.8	266.7
Result	170.0	-80.4
Long-term Insurance Profit	28.4	25.3
Investment Income attributable to Capital and Reserves	89.3	87.8
Share of Associated Companies' Profits	17.1	8.7
Profit before Taxation	304.8	41.4
Taxation	54.4	12.3
Minority Interests	1.8	0.2
Net Profit	248.6	28.9
Earnings per share	105.3p	12.2p
USA relocation costs (less tax)	-	18.7
Dividends for the year	248.6	10.2
Pence per share	73.2	60.8
Transfer to Retained Profits	31.0p	25.75p
Capital & Reserves — See Note	175.4	-50.6
	£2,485m	£1,905m

NOTE: Capital and Reserves include a value for the long-term business of £400m for 1986 (1985: £320m).



Royal Insurance plc, Group Head Office, 1 Cornhill, London EC3V 3QR

● The final quarter result was a pre-tax profit of £111.7m (1985: £24.8m) making the total profit for the year 1986 £304.8m (1985 £41.4m).

● Earnings per share rose from 12.2p to 105.3p.

● A Final Dividend of 20.5p is being recommended to produce a total dividend for the year of 31.0p, an increase of 20.4%.

● Capitalisation. A 1 for 1 issue is being recommended.

● Report and Accounts for 1986. The results for the year 1986 contained in this statement, upon which the auditors have not yet reported, constitute abridged accounts within the meaning of Section 255 of the Companies Act 1985. The audited Report and Accounts for 1986 will be posted to shareholders on March 30th 1987 and delivered to the Registrar of Companies following the Annual General Meeting to be held on 23rd April 1987.

US federal insurer '\$8bn in the red'

From Bailey Morris
Washington

The insurance fund which backs deposits in America's 3,000 federally-chartered savings and loan associations is bankrupt, operating at a deficit estimated as high as \$8 billion (\$5 billion), according to US congressional officials. Although precise figures on the extent of the reverses suffered by the Federal Savings and Loan Insurance Corporation are incomplete, officials said a new report pointed clearly to "a condition of insolvency."

The report, prepared by the independent General Accounting Office, shocked influential congressmen who have been unable to agree on emergency insurance legislation to cover an estimated \$890 billion in deposits in the beleaguered savings and loans industry.

"The problems with the



Proxmire: \$7bn fund injection proposed

FSLIC are worse than our nightmares. We must do something soon," said Mr Charles Schumer, a member of the House Banking Committee, which is headed by Senator William Proxmire.

The new GAO report, which will not be formally presented to Congress until next week, is bound to stir up controversy. In its official

statements, the FSLIC said its insurance fund had a surplus of \$1.9 billion for the year ended December 31. The year before, it reported a surplus of more than \$4 billion.

But the GAO report disputed the surplus, saying the FSLIC had failed to account for potential losses or "contingency liabilities," which could arise from the 60 or more failed institutions being kept alive by the agency.

Negotiations over the size of the contingency liabilities were underway between the FSLIC and the GAO, officials said. The GAO said that as a result of its audit, the FSLIC's deficit for 1986 would be in the range of \$6-\$8 billion.

The House has proposed a bill to inject \$15 billion of new funds into FSLIC over five years. But a Senate Bill proposed by Senator Proxmire would offer only a little more than \$7 billion in new funds.

Gold 'will soar to \$425 this year'

By Colin Narbrough

Gold will achieve an average \$425 an ounce this year compared with the present price of just above \$400, according to Shearson Lehman Brothers, the London brokers.

The average price last year was \$368 dollars.

The brighter prospect for

the gold price is contained in Shearson's annual review of the world gold industry. It contrasts with the bearish overall outlook for the market.

The review acknowledges a likely deterioration in the fundamental balance between supply and demand, as mine output continues to rise and

consumption falls.

An 0.3 per cent switch into gold of global fixed interest funds would soak up 1,800 tonnes, the entire metal surplus for the decade to 1985.

Total supply in 1987 is expected to be 1,676 tonnes, almost 70 tonnes up on last year.

Waddington expands

John Waddington and Gilmour and Dean Holdings are to amalgamate through a recommended offer of 10 new Waddington shares for every nine Gilmour shares. The offer values Gilmour at £10 million. Irrevocable undertakings to accept have been given by shareholders for 75.11 per cent of Gilmour. Waddington does not own any shares at present in Gilmour.

The holders of Gilmour shares on the register yesterday will be entitled to the interim dividend of 1.5p for the current year to March 31 and the proposed special payment of 10p to be paid within 21 days of the offer becoming unconditional.

Full acceptance would involve the issue of 4.44 million Waddington shares, or 6.5 per cent of the enlarged capital.

● **PARINGA MINING & EXPLORATION**: Interim dividend 6.5 Australian cents (nil), payable on March 31, for the six months to December 31. Turnover £10.23 million (£1.52 million). Pretax profit £6.43 million (£173,000). Earnings per share 17.16p (0.08p). The improved figures resulted from including the company's share of profits of North Flinders Mines and the sale of mining and exploration properties.

● **STEETLEY**: Quigley Company, part of the Pfizer Group, is in talks with Steetley Refractories about the purchase of Steetley's monolithic refractory operations based in Rotherham, South Yorkshire.

● **PACIFIC DUNLOP**: The company's shares are now listed on the Tokyo Stock Exchange.

COMPANY NEWS

● **ELECTRONIC MACHINES**: Year to September 30. Turnover £2.15 million (£1.93 million). Pretax loss £12,284 (profit £30,128). Loss per share 0.48p (earnings 1.20p). While the group's finances continue to be sound, the directors regret that, having regard to the level of profits, they are unable to recommend a dividend for 1985/86.

● **VERELDHAVE NV**: Net profit, after tax, for 1986, 64.1 million fl (£20.2 million), against 53.6 million fl or 10.71 fl (10.60 fl) per share, while the number of shares rose by almost a million to above 6 million. Dividend raised to 10.10 fl (10.00 fl).

● **PACIFIC ASSETS TRUST**: The trust has increased its borrowing facility with the Royal Bank of Scotland from HK\$15 million (£1.25 million) to HK\$50 million (£4.2 million) and has drawn it down in full. A total of HK\$34 million of this has been fixed for one year at 5% per cent.

● **TRUSTEES CORPORATION**: The company is arranging the issue of 200 million of debenture stock, 2016. Terms: coupon, 10.5 per cent; issue price, £97.877 per cent; gross redemption yield on issue 10.743 per cent.

● **PRESIDENT ENTERPRISES**: Contracts have been exchanged for the acquisition of the leasehold premises, businesses and associated assets of five pasta restaurants operated by Oakpear and Wigmore for £2.15 million, excluding expenses. President has now opened its first two Pasta Mania restaurants in London's Leicester Square and King's Road, Chelsea; initial trading has been significantly above expectations.

● **FLEMING ENTERPRISE INVESTMENT TRUST**: Interim dividend of 3p a share (same), payable on March 3.

● **ARGYLL GROUP**: The boards of Alliance Property Holdings (9.5 per cent debenture stock, 1992/97), Alliance Property Co (7.75 first mortgage debenture stock, 1986/91) and Argyle Securities (10.5 debenture stock, 1992/97 and 12 per cent stock, 1993/98), all subsidiaries of Argyll, propose immediate repayments of the stocks. Terms: for every £100 nominal of 9.5, £99 cash; for every £100 of 7.75, £100 cash; for every £100 of 10.5, £105 cash; for every £100 of 12, £115 cash.

● **BROAD STREET GROUP**: The group is to buy Profile Public Relations and Profile Political Relations. The initial price of £30,000 is to be satisfied by £350,000 cash (raised by a vendor placing) and new ordinary shares. On completion, the owners of Profile will also receive 4 million new shares which will be convertible annually, depending on profits over the next three years.

● **ARLINGTON SECURITIES**: In partnership with Robert Fraser Estates, Arlington has bought Plummers Department Store at Above Bar, Southampton.

● **TOLLGATE HOLDINGS**: Six months to December 31. Pretax profit £6.22 million (about £1.95 million), against £3.22 million. Turnover £69.51 million (£61.4 million). Earnings per share 18.3 cents (11.4 cents). Interim dividend 10 cents (same), payable on, or about, March 31. The current indications are that the improved results will continue in the second half.

BUSINESS SUMMARY

Weetabix pays £5m for Avana offshoot

Avana, the Cardiff food specialist, is selling its wheat biscuits and wheat flakes business to Weetabix, the breakfast cereal manufacturer, in a £5 million agreement announced yesterday. The deal includes plant and machinery worth £500,000, as well as technical knowledge, and a consultancy agreement worth an expected £3 million over three years.

Avana says profit margins in the business have been too narrow, and production-line automation would prove too costly. The company is the subject of a bid by Rank Hovis McDougall, which posted its formal offer document to shareholders on February 6.



£14m Bunzl purchase

Bunzl is expanding its British fine paper distribution business into London by acquiring Thom and Cook for £14 million cash. Thom and Cook had sales of £25 million in 1986, and pro forma profits before tax of £2.6 million. Bunzl, led by Mr James White, (left) says Thom and Cook will continue to be run under its existing management.

Xerox profits up 7%

Rank Xerox, the British-based office copier company, yesterday revealed pretax profits of £214 million for the year to the end of October 1986, a rise of 7 per cent on the previous year. Revenues were also up by 7 per cent to £1,926 million. M Roland Magnin, the French managing director, said the profits increase reflected improving margins and had been accompanied by increases in market shares in key sectors of the reprographics and office systems markets.

Boost for Highams

Highams, the Lancashire textiles group, is closer to taking control of the Manchester Ship Canal Company, which holds its general meeting today. The High Court in London was told that MSCC had agreed to register shares held by nominees on Highams' behalf. Splitting shareholdings gains votes under MSCC's voting system.

Hillsdown in £1.33m buy

Hillsdown Holdings has acquired 51 per cent of Peter Hand Holdings, a manufacturer and distributor of animal health and nutrition products, for about £1.33 million. The price will be met by the issue of 211,364 Hillsdown shares with the balance in cash. Peter Hand said net profit before tax for 1986 will not be less than £500,000.

Full listing for builder

Wilson Bowden, builder of £120,000 homes in the Midlands and the South, is coming to the stock market with a full listing, valuing the business at slightly more than £86 million. The company, which offers no fewer than 175 house designs, is selling about 27 per cent of the business through an offer for sale at 130p a share. Last year, the group made profits of £8.7 million, the bulk coming from housebuilding and the rest from its business park and retail development. The issue is raising about £14 million, which will enable the company to build up its stock of building land. But Mr David Wilson, the chairman, has no plans to move into the more expensive South-east market, preferring to move into East Anglia instead.

APPOINTMENTS

Save & Prosper: Mr Teddy Boyd becomes a non-executive director.

Liberty of London Prints: Mr Oliver Stewart-Liberty succeeds Mr Roy Walker as managing director in July.

Standard Fireworks: Mr Conrad Gregory, MBE, joins the board as a non-executive director.

Thorn EMI: Mr David Barnes becomes a non-executive director and Mr Tom Mayer joins the board.

British Linen Bank: Mr Philip Livesey joins the court of directors as a non-executive director.

Confederation of British Wool Textiles: Mr Alistair L. Henderson becomes president. Mr George Wilby becomes a vice-president and is elected chairman of the industrial relations council.

Spearhead Exhibitions (India): Mr David Stott becomes chairman, Mr Mark Rayner managing director, and Mr Chris Marke financial director and company secretary.

Dalgely: Mr Tony Spalding rejoins as director of public relations.

Confederation of British Industry's Smaller Firms Council: Mr Harry Kneeman becomes vice-chairman and will succeed Mrs Jean Parker as chairman next February.

Knobs & Knockers: Mr John Staddon joins as operations director.

Edward Erdman: Mr Robert Bowell, Mr Richard Page and Mr Paul Lewis become associate partners.

Laporte Industries (Holdings): Dr Ronald M Cresswell becomes an executive director.

RECENT ISSUES

EQUITIES		RIGHTS ISSUES	
Br Airways (50p)	110 1/2 - 1 1/2	Anglia TV N/P	73 +2
Daniels S (750p)	196 - 4	Burgess N/P	86
Dale Group (110p)	125	Walker (Afric) N/P	38
Fletcher King (175p)	180 - 2	Wiggins N/P	
Forward Op (125p)	136		
Geest (225p)	219 - 1		
Glenavon (10p)	48		
Gordon Russell (180p)	239 +2		
Halls Homes (85p)	155		
Harmony Leisure (25p)	86		
Imperial (70p)	26 - 2		
Horby (100p)	90		
Hoyleys Op (125p)	181 - 1		
Johnson Fry (150p)	180		
Lon Ass Inv Trs (14p)	27		
Lloyds Chemical (105p)	183		
Logistics (55p)	7		
Lon & Metro (145p)	204 +2		
MIL (144p)	166 +2		

(Issue price in brackets).

MONEY MARKETS AND GOLD

BULLION		ECGD	
Gold \$494.25-494.75		Fixed Rate Sterling Export Finance Scheme IV Average reference rate interest period January 1, 1987 to January 30, 1987 inclusive: 11.026 per cent	
Crude oil (per cwt, ex tank)	\$407.00-410.00 (\$254.00-256.00)		
Silver (per 100g)	\$95.50-97.50 (\$252.50-253.75)		
Platinum (per 100g)	\$22.75 (\$238.10)		
Silver (per 100g)	\$5.4000-5.4800 (\$2.5400-2.5600)		

TREASURY BILLS (Discount %)		LOCAL AUTHORITY BONDS (%)	
3 month 10 1/2	2 month 10 1/2	1 month 11 1/2 - 11 3/4	2 month 10 1/2 - 10 3/4
6 month 10 1/2	3 month 10 1/2	3 month 10 1/2 - 10 3/4	6 month 10 1/2 - 10 3/4
		9 month 10 1/2 - 10 3/4	12 month 10 1/2 - 10 3/4

PRIME BANK BILLS (Discount %)		EURO MONEY DEPOSITS %	
1 month 10 1/2 - 10 3/4	2 month 10 1/2 - 10 3/4	1 month 6 1/2 - 6 3/4	3 month 6 1/2 - 6 3/4
3 month 10 1/2 - 10 3/4	6 month 10 1/2 - 10 3/4	6 month 6 1/2 - 6 3/4	12 month 6 1/2 - 6 3/4
		18 month 6 1/2 - 6 3/4	24 month 6 1/2 - 6 3/4

BASE LENDING RATES		MORTGAGE BASE RATE	
ABN	11.00%		
Adam & Company	11.00%		
BCCI	11.00%		
Citibank Savings	12.45%		
Consolidated Credit	11.00%		
Co-operative Bank	11.00%		
C. Hoare & Co.	11.00%		
Hong Kong & Shanghai	11.00%		
Lloyds Bank	11.00%		
Nat Westminster	11.00%		
Royal Bank of Scotland	11.00%		
TSB	11.00%		
Citibank NA	11.00%		

Cadbury Schweppes Outstanding Results in 1986

Trading Profit:	Up 24.2 per cent
Pre-tax Profit:	Up 40.1 per cent
Earnings per Share:	Up 53.4 per cent
Dividend:	Up 13.5 per cent

Cadbury Schweppes plc, Britain's leading international manufacturer of branded confectionery and soft drinks, reports outstanding results for the 53 weeks ended 3 January 1987.

	1986 £M	1985 £M
Sales	1839.9	1873.8
Trading Profit	140.4	113.0
Pre-tax Profit	130.7	93.3
Earnings per Ordinary Share of 25p (net basis)	14.28p	9.31p
Return on Assets	21.1%	14.6%
Dividends per Share	6.70p	5.90p

- Major structural changes and firm management action have produced strong and sustainable growth.
- Return on Assets at 21.1% was the highest yet achieved.
- Soft drinks trading profit grew by 55.3% and confectionery by 18%.
- Cadbury Schweppes is now the third largest international soft drinks company.
- Formation of Coca-Cola and Schweppes Beverages Ltd has brought together the two strongest brands in the UK.
- North America's sales and profit growth will continue through 1987.
- Cadbury Schweppes continued to support its famous brands with £193M invested in advertising and marketing.
- 1987 will see further growth as acquisitions and restructured businesses make their first full year contributions.

Shareholders will again be offered the opportunity of taking the final dividend in scrip form and details will be sent to them in due course.

Adrian Cadbury
Chairman

Copies of the full statement will be sent to all shareholders and further copies will be available from the Secretary, Cadbury Schweppes plc, 1-4 Connaught Place, London W2 2EX. Telephone: 01-262 1212.

Cadbury Schweppes
MANAGEMENT
PROVEN IN THE MARKET PLACE

MANAGEMENT PROVEN IN THE MARKET PLACE. MANAGEMENT PROVEN IN THE MARKET PLACE. MANAGEMENT PROVEN IN THE MARKET PLACE.

Portfolio
Gold

From your portfolio card check your eight share price movements on this page only. Add them up to give you your overall total and check this against the daily dividend figure. If it matches, you have won outright or a share of the total prize money stated. If you are a winner follow the claim procedure on the back of your card. You must always have your card available when claiming. Claim rules appear on the back of your card.

No.	Company	Group	Cash or Div
1	Bank of Scotland	Banking	Div
2	Hawker Siddeley (am)	Aircraft	Div
3	Blue Circle	Building	Div
4	Barclay	Banking	Div
5	King & Shaxson	Banking	Div
6	Halsbury	Banking	Div
7	Colson	Banking	Div
8	Barclay	Banking	Div
9	Bank of Scotland	Banking	Div
10	Nat. Aust. Bk.	Banking	Div
11	Strickland	Banking	Div
12	Grain Processing	Food	Div
13	Watt	Food	Div
14	Watt	Food	Div
15	Watt	Food	Div
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49	Watt	Food	Div
50	Watt	Food	Div

Please take into account any minus signs

Weekly Dividend
Please make a note of your daily totals for the weekly dividend of £8,000 in Saturday's newspaper.

MON	TUE	WED	THU	FRI	SAT	TOTAL

BRITISH FUNDS

High Low	Company	Price	Change	Div	Yield

SHORTS (Under Five Years)

No.	Company	Price	Change	Div	Yield

FIVE TO FIFTEEN YEARS

No.	Company	Price	Change	Div	Yield

OVER FIFTEEN YEARS

No.	Company	Price	Change	Div	Yield

UNDATED

No.	Company	Price	Change	Div	Yield

INDEX-LINKED

No.	Company	Price	Change	Div	Yield

BANKS DISCOUNT HP

No.	Company	Price	Change	Div	Yield

ELECTRICALS

No.	Company	Price	Change	Div	Yield

STOCK EXCHANGE PRICES

Equities falter

ACCOUNT DAYS: Dealings began Monday. Dealings end March 6. Contango day March 9. Settlement day March 16.
Forward bargains are permitted on two previous business days.

Prices are recorded at 5pm. Changes are calculated on the previous day's close and may differ from changes calculated by comparing 5pm prices, published the previous day. Where one price is quoted, it is a middle price. Changes, yields and price earnings ratios are based on middle prices. (aa) denotes Alpha Stocks; volumes are on page 22.

BREWERIES

High	Low	Company	Price	Change	Div	Yield	P/E
100	98	Adnams	100	0	0	0	100
100	98	Beck's	100	0	0	0	100
100	98	Carlsberg	100	0	0	0	100
100	98	Guinness	100	0	0	0	100
100	98	Heineken	100	0	0	0	100
100	98	King	100	0	0	0	100
100	98	Labatt	100	0	0	0	100
100	98	Miller	100	0	0	0	100
100	98	Newcastle	100	0	0	0	100
100	98	Reck	100	0	0	0	100
100	98	Stout	100	0	0	0	100
100	98	Tottenham	100	0	0	0	100
100	98	Watney	100	0	0	0	100
100	98	Windsor	100	0	0	0	100
100	98	Woolmer	100	0	0	0	100

BUILDINGS AND ROADS

High	Low	Company	Price	Change	Div	Yield	P/E
100	98	Adnams	100	0	0	0	100
100	98	Beck's	100	0	0	0	100
100	98	Carlsberg	100	0	0	0	100
100	98	Guinness	100	0	0	0	100
100	98	Heineken	100	0	0	0	100
100	98	King	100	0	0	0	100
100	98	Labatt	100	0	0	0	100
100	98	Miller	100	0	0	0	100
100	98	Newcastle	100	0	0	0	100
100	98	Reck	100	0	0	0	100
100	98	Stout	100	0	0	0	100
100	98	Tottenham	100	0	0	0	100
100	98	Watney	100	0	0	0	100
100	98	Windsor	100	0	0	0	100
100	98	Woolmer	100	0	0	0	100

FINANCE AND LAND

High	Low	Company	Price	Change	Div	Yield	P/E
100	98	Adnams	100	0	0	0	100
100	98	Beck's	100	0	0	0	100
100	98	Carlsberg	100	0	0	0	100
100	98	Guinness	100	0	0	0	100
100	98	Heineken	100	0	0	0	100
100	98	King	100	0	0	0	100
100	98	Labatt	100	0	0	0	100
100	98	Miller	100	0	0	0	100
100	98	Newcastle	100	0	0	0	100
100	98	Reck	100	0	0	0	100
100	98	Stout	100	0	0	0	100
100	98	Tottenham	100	0	0	0	100
100	98	Watney	100	0	0	0	100
100	98	Windsor	100	0	0	0	100
100	98	Woolmer	100	0	0	0	100

FOODS

High	Low	Company	Price	Change	Div	Yield	P/E
100	98	Adnams	100	0	0	0	100
100	98	Beck's	100	0	0	0	100
100	98	Carlsberg	100	0	0	0	100
100	98	Guinness	100	0	0	0	100
100	98	Heineken	100	0	0	0	100
100	98	King	100	0	0	0	100
100	98	Labatt	100	0	0	0	100
100	98	Miller	100	0	0	0	100
100	98	Newcastle	100	0	0	0	100
100	98	Reck	100	0	0	0	100
100	98	Stout	100	0	0	0	100
100	98	Tottenham	100	0	0	0	100
100	98	Watney	100	0	0	0	100
100	98	Windsor	100	0	0	0	100
100	98	Woolmer	100	0	0	0	100

CHEMICALS, PLASTICS

High	Low	Company	Price	Change	Div	Yield	P/E
100	98	Adnams	100	0	0	0	100
100	98	Beck's	100	0	0	0	100
100	98	Carlsberg	100	0	0	0	100
100	98	Guinness	100	0	0	0	100
100	98	Heineken	100	0	0	0	100
100	98	King	100	0	0	0	100
100	98	Labatt	100	0	0	0	100
100	98	Miller	100	0	0	0	100
100	98	Newcastle	100	0	0	0	100
100	98	Reck	100	0	0	0	100
100	98	Stout	100	0	0	0	100
100	98	Tottenham	100	0	0	0	100
100	98	Watney	100	0	0	0	100
100	98	Windsor	100	0	0	0	100
100	98	Woolmer	100	0	0	0	100

CINEMAS AND TV

High	Low	Company	Price	Change	Div	Yield	P/E
100	98	Adnams	100	0	0	0	100
100	98	Beck's	100	0	0	0	100
100	98	Carlsberg	100	0	0	0	100
100	98	Guinness	100	0	0	0	100
100	98	Heineken	100	0	0	0	100
100	98	King	100	0	0	0	100
100	98	Labatt	100	0	0	0	100
100	98	Miller	100	0	0	0	100
100	98	Newcastle	100	0	0	0	100
100	98	Reck	100	0	0	0	100
100	98	Stout	100	0	0	0	100
100	98	Tottenham	100	0	0	0	100
100	98	Watney	100	0	0	0	100
100	98	Windsor	100	0	0	0	100
100	98	Woolmer	100	0	0	0	100

HOTELS AND CATERERS

High	Low	Company	Price	Change	Div	Yield	P/E
100	98	Adnams	100	0	0	0	100
100	98	Beck's	100	0	0	0	100
100	98	Carlsberg	100	0	0	0	100
100	98	Guinness	100	0	0	0	100
100	98	Heineken	100	0	0	0	100
100	98	King	100	0	0	0	100
100	98	Labatt	100	0	0	0	100
100	98	Miller	100	0	0	0	100
100	98	Newcastle	100	0	0	0	100
100	98	Reck	100	0	0	0	100
100	98	Stout	100	0	0	0	100
100	98	Tottenham	100	0	0	0	100
100	98	Watney	100	0	0	0	100
100	98	Windsor	100	0	0	0	100
100	98	Woolmer	100	0	0	0	100

INDUSTRIALS A-D

High	Low	Company	Price	Change	Div	Yield	P/E
100	98	Adnams	100	0	0	0	100
100	98	Beck's	100	0	0	0	100
100	98	Carlsberg	100	0	0	0	100
100	98	Guinness	100	0	0	0	100
100	98	Heineken	100	0	0	0	100
100	98	King	100	0	0	0	100
100	98	Labatt	100	0	0	0	100
100	98	Miller	100	0	0	0	100
100	98	Newcastle	100	0	0	0	100
100	98	Reck	100	0	0	0	100
100	98	Stout	100	0	0	0	100
100	98	Tottenham	100	0	0	0	100
100	98	Watney	100	0	0	0	100
100	98	Windsor	100	0	0	0	100
100	98	Woolmer	100	0	0	0	100

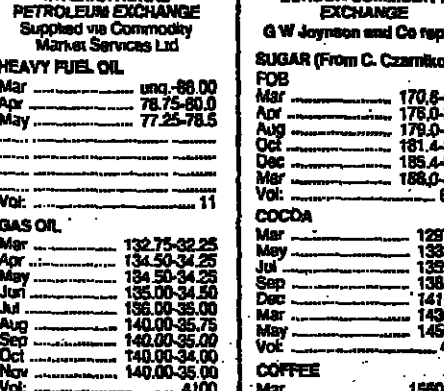
E-K

High	Low	Company	Price	Change	Div	Yield	P/E
100	98	Adnams					
100	98	Adnams					
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100	98	Adnams					
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[illegible]

INVESTMENT TRUSTS

COMMODITIES

[illegible]

Law Report February 27 1987

Class continued	Series	Calle			Futs		
		Nov	Sep	Min	Sep	Min	Sep
Hanson (154)	120 145 131	230 220 35	30 25 30	1 1 1	25 20 1	0 0 3	
Jaguar (105)	500 150 185	112 135 15	127 145 15	14 16 14	1 1 1	2 5 10	
Thom EM (358)	480 103 550	143 60 63	158 120 12	16 16 16	1 1 1	2 15 25	
Tasso (457)	320 420 450	73 78 82	76 90 45	22 27 23	2 3 2	2 3 8	
Trif (212)	200 180 220	14 18 37	41 47 26	1 1 14	3 19 2	4 5 19	

	Series	My	Ass	Nov	Nov	Nov	Nov
BIT A40 (\$4)	650	56	53	73	53	57	—
	650	56	53	73	53	57	—
	650	15	32	47	73	80	85
BAT Inds (\$48)	48	130	164	107	1	1	—
	500	60	75	88	7	15	18
	500	60	75	88	7	15	18
Berkays (\$32)	500	38	55	—	20	22	—
	550	16	30	36	50	52	—
	550	16	30	36	50	52	107
Brl Telecom (\$243)	220	48	53	—	1	3	11
	220	30	38	44	4	7	11
	220	18	24	32	32	32	32
Cadbury Swiss (\$260)	240	29	43	53	6	14	18
	240	19	30	37	17	22	25
	240	11	19	27	32	37	40
Guinness (\$18)	280	20	30	67	7	13	15
	300	35	55	57	15	23	27
	350	20	35	38	30	36	40

LASMO (1738)	430	20	34	15	21	30	20	22
	450	20	35	57	15	20	20	22
	460	20	38	42	20	38	46	22
Mifedban (178)	180	15	23	30	17	20	20	22
	200	15	21	21	31	32	33	22
Metformin Bank (590)	500	52	68	55	13	27	50	50
	550	52	65	55	13	27	50	50
	550	15	25	35	85	87	90	90
P & G (540)	550	93	105	100	5	10	33	33
	550	55	70	40	88	17	43	43
	550	23	40	57	35	43	35	35
Racal (254)	200	60	70	62	1%	5	11	11
	240	42	54	62	10	17	20	20
	240	26	41	48	10	17	20	20
RTZ (747)	550	120	134	112	6	8	33	33
	82	97	112	115	15	15	37	37
	150	72	90	90	44	44	57	57
	680	25	45	54	57	74	74	74
Vast Resil (88)	80	9	20	20	3	5%	11	11
	80	9	13	15%	7	10%	11%	11%
	100	3%	7%	7%	15	17%	17%	17%
Series								
Series								
Lorenzo (271)	220	73	77	60	1%	5	11	11
	220	73	77	60	1%	5	11	11
	240	73	77	43	1%	5	11	11
	280	14	24	24	1%	5	11	11
	280	6	15	20	15	18	24	24
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Tr 11% 03/91 (T106)	104	216	2%	216	1%	1%	1%
	108	36	1%	36	1%	1%	1%
Tr 11% 03/97 (T117)	112	4	51%	67%	1%	1%	1%
	114	2	4%	4%	1%	1%	2%
	116	1%	4%	4%	2%	2%	3%
	118	1%	1%	1%	1%	1%	1%
	120	1%	1%	1%	1%	1%	1%
	122	1%	1%	1%	1%	1%	1%

	Feb	Mar	Apr	May	Feb	Mar	Apr	May
FT-SE	1675	297	290	336	—	1	2	—
1700	292	295	310	—	1	2	—	—
(1798)	1800	172	200	218	238	5	11	18
	1850	122	155	177	197	12	23	28
	1900	72	112	136	158	23	37	48
	1950	22	55	75	93	27	38	50
	2000	3	45	75	93	35	46	75

Thomas v University of Bradford
Before Lord Bridge of Harwich,
Lord Brandon of Oakbrook,
Lord Griffiths, Lord Mackay of
Clashfern and Lord Ackner
[Speeches February 26]

[illegible]

University against the decision of the Court of Appeal (Lord Goff and Sir George Waller) (*The Times* November 4, 1985; [1986] Ch 381, 395) who upheld the decision of the Court of Appeal (Whitford (1982) 12 F.T.R. 16, 1985; [1986] Ch 381, 383), that the court had jurisdiction to grant the injunction. It was contended for Miss Thorburn that the jurisdiction of the visitor is exclusive, but since Lord Justice Lloyd in the Court of Appeal had questioned the exclusivity of the jurisdiction to grant the injunction, it was unclear whether that concession was properly made.

The exclusivity of the visitor's jurisdiction was not established. His Lordship disagreed with Lord Haleham of St Marylebone, Lord Chancellor, if that was the case, the *University of Aston in Birmingham* ([1983] 1 All ER 88) to exclude from internal jurisdiction any reference to which would otherwise be governed by the common law.

As to the question whether a power to remove the damages, the view expressed by Chief Justice Burt in *Murdach University v Bloom and Kyle* (1980) WAR 193, that a lord preferred to state that the Lord Chancellor in *Casson*, at pp91-92,

[illegible]

validity of the dismissal and the issue was whether that dispute lay within the jurisdiction of the court of that of the University Visitor.

It was common ground that as from October 1, 1973 Miss Thomas became a member of the University of New Zealand and an employee of the university.

His Lordship agreed with Mr Justice Hoffmann in *Hines* at p539, that the jurisdictions of the visitor and the courts were mutually exclusive.

The visitorial jurisdiction

under a contract of service, and the holder of office in and a member of the university within the meaning of the charter and the statutes.

It was also common ground that under her contract, Miss Thomas's employment and status as a member of the university were subject to the provisions of the application of a person applying for admission to the

stemmed from the power recognized by the common law in the founder of an eleemosynary corporation to dispose of its assets under which the object of his charity was to be interpreted and to be sole judge of the governance and application of those assets.

at a disadvantage compared with their colleagues in other fields of education.

First, the protection afforded by the eleemosynary institution Consolidation Act 1978 was available to all university academic staff because Parliament could invade the visitor's jurisdiction.

was subject to the disciplinary rules and procedures established and set out in the charter, statutes, ordinances and regulations of the domestic law of the members of the academic staff; and that she would not be dismissed without the due fulfillment of all the procedures prescribed by the domestic law of the foundation.

As a general rule the jurisdiction applied only to members of the foundation because only they would normally be subject to the domestic law of the foundation.

Nevertheless the jurisdiction had always been held to apply both to admission to and removal from the foundation.

Second, reinstatement was more likely to be achieved by

The charter, statutes, ordinances and regulations of the university provided an elaborate code of procedures that could be used by the faculty to remove a member of the academic staff from office and to terminate his employment. But the jurisdiction did not derive from membership. The reason for the visitor's jurisdiction extending to the admission of students was that the non-members was because the domestic laws of the foundation invariably provided for the admission and removal of non-

Miss Thomas alleged that the university failed to follow the correct procedure in the investigation of the complaint against her. She stated that the decision of the council to dismiss her was *ultra vires*, null and void.

She challenged her dismissal

By his statement of *claim she claimed declarations* that the council's decision and her dismissal were *ultra vires* and void and she claimed damages or arrears of salary.

The university considered

No reference to European Court after delivery of judgment

SA Magnivision NV v General Optical Council (No 2)
Before Lord Justice Watkins
and Mr Justice Macpherson
[Judgment February 25]
A case could not be said to be a case which was in issue.

the Court of Justice of the European Communities be said to be "preliminary" once judgment had been given.

The Queen's Bench Division refused to grant an order for the rejection of an application that, as it was a court of finality by virtue of having refused a certificate on a point of law of general public importance, it should refer the point, it should refer to the European Court of Justice under article 177 of the EEC Treaty.

The defendants, Ss. Magnifico and Ss. S. had appeared in court and the case stated from their conviction by the Cardiff Justices under section 21 of the Opium Act, 1953 of selling opium to a person under 21 years of age.

under the supervision of a registered medical practitioner or registered optician.

Mr Christopher Bellamy, QC and Miss Eleanor Sharpston for the defendants. Mr Francis Ja-

Bostock v Tacher de la Pagerie

A court could gain possession of a dwelling-house, under s. 85 of the Rent Act 1977, to a landlord who reasonably required it for own residence for his

Recalculating rate grant unlawful

The proposal by the Environment Secretary in the *First Minister's Statement* on 12 July 1987 that the Government would 'grant *Rate Relief for 1986-1987 to determine the multipliers* purported to be determined by the Secretary of State under section 59(6A) of the Local Government, Planning and Act 1980 on the basis of a valuation to the council.

HIS LORDSHIP said that a mistake had been made in the original Bill in that it was high value maintenance grants to the London boroughs and the secretary of state purported to rectify that mistake.

However, section 1 of the *Hardcastle* [1948] 2 KB 83.

Moreover, the fact that the defendant had a high interest and was so entitled was not relevant to whether it was reasonable to make the order for payment. It was not to deal with the facts as they were, not as they might have been.

The Court of Appeal (Lord

allocation of the Greater
County Highway
Maintenance Budget on a dif-
ferent principle, namely that
all budget should be allocated
on the basis of inherited road
lengths weighted to take account
of road usage variations, was
unlawful.



Scandinavian Bank Group Offer

**THERE ARE
JUST FIVE
DAYS LEFT IN
WHICH TO APPLY.**

Scandinavian Bank Group plc is making available a number of shares to the public. Both The Financial Times and The Daily Telegraph yesterday published the prospectus in full. If you missed this, the printed prospectus and application form may be collected today up till 7.00 p.m. from **Scandinavian House at 2-6 Cannon Street, London EC4** or you may telephone the **Scandinavian Bank Flotation Office on 01-236 6090 Extension 665**.

The prospectus is also available today during normal working hours at the following locations:



LONDON: Morgan Grenfell & Co. Limited,
New Issue Department, 72 London Wall, London EC2M 5NL
Barclays Bank PLC, New Issues, P.O. Box 123, Fleetway House,
25 Farringdon Street, London EC4A 4HD
Cazenove & Co.,
12 Tokenhouse Yard, London EC2R 7AN
Morgan Grenfell Securities Limited,
20 Finsbury Circus, London EC2M 7BB

BIRMINGHAM: Barclays Bank PLC,
63 Colmore Row, Birmingham B3 2BY

BRISTOL: Barclays Bank PLC,
40 Corn Street, Bristol BS99 7AJ

EDINBURGH: Barclays Bank PLC,
35 St. Andrew Square, Edinburgh EH2 2AD

GLASGOW: Barclays Bank PLC,
90 St. Vincent Street, Glasgow G2 5UQ

MANCHESTER: Barclays Bank PLC,
17 York Street, Manchester M60 2AU

NOTE: applications is 10.00 a.m. on **WEDNESDAY 4th 1987.** Applications must be made by this time at Barclays Bank PLC, Box 123, Fleetway House, 25 Abchurch Lane, London EC4A 3HD.

Part of British banking Scandinavian style.

Scandinavian Bank Group plc, Scandinavian House, 2-6 Cannon Street, London EC4A 6KK.
Tel: 01-236 6090 Telex: 869093 Fax: 01-248 8612.
Bahrain, Bermuda, Cayman Islands, Geneva, Hong Kong, London, Los Angeles, Madrid, Melbourne, Milan, Monaco,
New York, São Paulo, Singapore, Sydney, Tokyo, Zürich.

GAN GRENFELL & CO. LIMITED ON BEHALF OF SCANDINAVIAN BANK GROUP plc

FEBRUARY

27

FRIDAY

X

FEBRUARY

28

SATURDAY

MARCH

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SUNDAY

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MONDAY

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WEDNESDAY

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LONDON

BIRMINGHAM

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MANCHESTER

PLEASE NOTE:

The deadline for application
WEDNESDAY MARCH 4th
be received by this time at
New Issues, P.O. Box 123, 1
25 Farringdon Street, London

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Scandinavian Bar

International Offices: Bahrain, Bombay

ISSUED BY MORGAN GREY

10.00a.m.

